



Children and Family Court Advisory and Support Service

Annual Report and Accounts 2016-17

An executive non-departmental public body

Children and Family Court Advisory and Support Service

Annual Report and Accounts 2016-17

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A glossary of terms used in this report, and in the family justice sector more widely, is set out on page 86. This is based on the excellent glossary produced by the Family Justice Young People's Board^[1] (FJYPB).

We have used the following format of listing proper nouns in full the first time it is used, with the acronym or initialisation then set out in brackets. We then use the acronym or initialisation.

All months should be read as falling within the period this report covers (1st April 2016 to 31st March 2017) unless otherwise specified.

[1] [The Family Justice Young People's Board](#) (FJYPB) comprises over 40 children and young people aged between eight and 25 years old who have had direct experience of the family justice system or have an interest in children's rights and the family courts. The FJYPB works to ensure that the family justice system remains child-centred and child inclusive by promoting the voice of the child.

Section 1



The performance report

Overview



This section shows what we do and what we are aiming to achieve, and key risks to achieving these. It also shows how we have performed during the year.

Introduction from the Chair



I am again reporting on a year that has seen further record increases in demand for our services. The response to this increase, from frontline staff to the entire family justice system, has been at the forefront of Board consideration for the past year. We have focused on two aspects: the first being to ensure we have secured sufficient resources to deal with demand. I am pleased that we have secured a budget for the coming financial year that allows us to put in place the extra workforce capacity needed to manage demand levels. The second aspect is the case for wider reform in both public and private law. It is clear that the performance of Cafcass cannot be isolated from external drivers. We are now at a point where a wider family justice reform agenda is the only viable and sustainable route for achieving the change needed in our external operating environment. The Board will be focusing on how we address demand as part of our contribution to the next stage of reform.

I commend the way in which our staff have responded to ever greater pressure. The way we equip our staff to remain resilient while maintaining high performance was the subject of a Board seminar in March. Staff have drawn on the support we make available while keeping an unwavering focus on providing a quality service to every child and young person they work with. Recognising that driving up quality is a lynchpin for the organisation, we have incorporated what we have previously reported in a stand-alone Quality Account into our main Annual Report. The Board is also exploring the development of a sector-wide quality standard for public sector Boards working in relevant areas. Cafcass will be partnering with Barnardo's and Social Care Institute for Excellence (SCIE) to take this forward.

We opened up two of our Board meetings over the last year to stakeholders and the public. We had a particularly strong turnout for our January meeting which considered how Cafcass approaches domestic abuse in our casework, showcasing our new Domestic Abuse Practice Pathway. We also set out the joint research we are carrying out with Women's Aid to better understand what is happening where domestic abuse is alleged in private law cases. Moving forward, the Board intends next year to place a clear focus on the significance of brother and sister relationships to children and young people in the family justice system; and on understanding and increasing the added value of our work to courts, children and to families as a whole.

I have continued to enjoy meeting Cafcass staff throughout the year, when I am visiting offices or as part of my regular catch-ups with frontline staff. I have begun providing a short overview of Board meetings and action points to all staff via a video message.

As part of my role in ensuring the Board is providing robust scrutiny and support to Cafcass, I commissioned an external review of Board effectiveness. This repeats a review carried out in 2013-14 to assess whether we have continued to develop, especially measuring our strategic leadership impact. I am pleased that the findings are positive, confirming that the Board works well with the Cafcass senior management team; that we bring a broad range of skills and experience which helps us where we need to scrutinise and challenge the organisation; and critically that the Board is focused on the impact its work has on the children and young people we work with. In short the Board is adding value and providing strong leadership.

Finally, I would like to thank the Family Justice Young People's Board (FJYPB) for their ongoing membership and contribution to the Cafcass Board, and for their contribution to the family justice sector more widely. Once again the FJYPB hosted a lively and challenging annual conference in July, where they challenged and encouraged all present to consider how we can improve our communication with children and young people in order to help them get to a better place.

A handwritten signature in black ink that reads 'Claire Tyler'.

Signed: Baroness Tyler of Enfield, Chair of Cafcass Board.

Introduction from the Chief Executive



We helped 125,230 children in the year we are reporting on. We assessed the needs of each child and – at the same time – we sought to help each child to find the best person to live with, and who could meet their needs, particularly any need to recover from abuse, neglect or exploitation. We also sought to help each child keep in touch with the people who matter to them, and to help each child go forward through the remainder of their childhood with greater confidence and with hope for the future. We aimed to do this with a model of assessment, analysis and action in respect of each child – not a passive assessment in which we stand back and comment, but active involvement in which we help and assess simultaneously.

To do this well, we need systems and processes to be in place as well as highly competent and professional staff in every role throughout Cafcass. The increase of 13.8% in our public law work and 9.1% in our private law work, taking the year as a whole, put a very great strain on the organisation, particularly our frontline practitioners. The children involved and our

practitioners both needed reliable systems in place, to make sure cases were managed properly according to a rigorous standard and that practitioners receive as much support as an organisation can give.

In my assessment, we did well on both of those fronts. The regular audits of our work showed that the quality of our casework continued to improve despite the pressures. We introduced a revised Quality Assurance and Impact Framework (QAIF) for case auditing which in my view is second to none in social work. Our backroom systems were constantly improving in terms of speed and responsiveness to internal and external customers. We say to our business services staff that every number on a spreadsheet is a child and this reminds all of us in Cafcass that we are frontline facing: that is our job and that is how we will be judged.

I want to acknowledge the hard work and extra goodwill shown by our staff which enabled us to remain high performing during 2016-17. I also want to thank the Ministry of Justice (MoJ) for their support, illustrated by our budget increase for the next financial year which will enable us to stay on top of further increases in demand without paying too high a price in terms of the pressure on frontline staff becoming excessive. The extra funding will enable us to expand our workforce in those parts of the country where we are under the most pressure. We have streamlined our recruitment process to support this.

As the Accounting Officer for Cafcass, I am proud of the way each member of staff takes their responsibility for ensuring value for money so seriously. Something we strongly believe and practice is that the best innovation comes from staff who re-imagine their day job on a regular basis, finding better ways of operating and putting those improvements into practice with the minimum of fuss. I believe that making a great number of small marginal gains at each level of our service adds up to a significant quantum of innovation and improvement. This approach also helps to make our services more sustainable under pressure.

While next year will be mostly about business as usual again, we will continue to play a full part in future reform of the family justice system, working with our partners inside and outside of Government. System-wide reform is in my view essential if the family justice system is to continue to be able to meet the needs of some of the most vulnerable children in the UK over the next 10-15 years.

I look forward to being able to say in a year's time that despite further pressures, we continued to maintain performance productivity and quality, so that each child referred to us by a family court received a good service. We will also be piloting some exciting new services in 2017-18, such as producing a child impact analysis in private law cases rather than traditional section 7 reports, so that the focus is more specific to the child's needs.

A handwritten signature in black ink that reads 'Anthony Douglas'.

Signed: Anthony Douglas CBE, Chief Executive of Cafcass.

Who we are and what we are aiming to achieve

Cafcass stands for Children and Family Court Advisory and Support Service. We are a non-departmental public body accountable to the Secretary of State at the MoJ.

We represent children in family court cases. We aim to make sure that children's voices are heard and decisions are taken in their best interests.

We may be asked by the court to work with families in two main areas:

Private law, including child arrangements for children after parents have divorced or separated.

In these cases, a Cafcass social worker will be appointed by the court to act as a Family Court Adviser (FCA). Their job is to provide information to the court that is needed for a safe decision to be made about arrangements for who the child lives with or spends time with.

Public law, including care and adoption cases where the local authority has serious concerns about the safety or welfare of a child.

In these cases, a Cafcass social worker will be appointed by the court to act as a Children's Guardian. Their job is to check the local authority's (LAs) plan and make sure that it is the best possible for the child. It is also to let the court know what they think should happen.

We operate within the law set by Parliament (Criminal Justice and Court Services Act 2000) and under the rules and directions of the family courts. Our role is to:

- safeguard and promote the welfare of children
- give advice to the family courts
- make provision for children to be represented
- provide information, advice and support to children and their families.

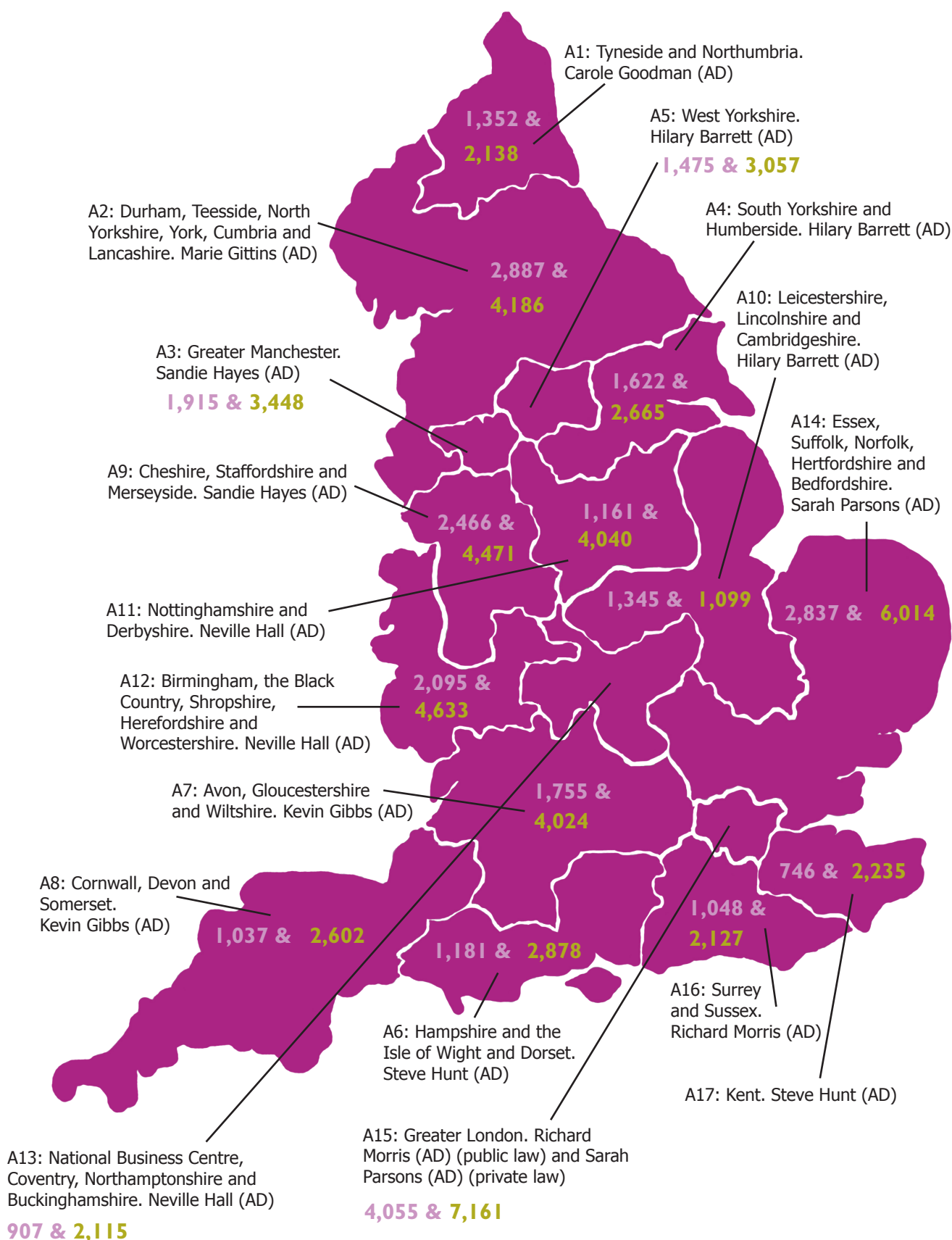
We work within the strategic objectives agreed by our sponsor department, MoJ (including MoJ strategy launched in 2017), and contribute to wider government objectives relating to children.

We also have our own strategic and business plans which set out what we are aiming to achieve. We are committed to strengthening the voice of the child in the family court process and we aim to deliver our services as effectively and efficiently as possible within the resources that are available.

Our strategic priorities to help courts choose the best outcomes for children are:

1. **Quality:** continue to make improvements to the quality of our work.
2. **Family justice innovation:** implement our part of the family justice reform and bring innovation to our services.
3. **Diversity:** always see the uniqueness of each child we have responsibilities towards and build our understanding of diversity in casework.
4. **Efficiency and effectiveness:** find the best way to make our money go further while still providing the best outcomes for children.
5. **Influence:** use our influence positively as the voice of the child, and the eyes and ears of family courts.

Numbers of children in new cases received per service area, including areas and Assistant Directors (AD).



1,646 children are included in the national totals that were on cases held in the Cafcass Intake Team. These cases were yet to be transferred to the service areas at the time of data collection.



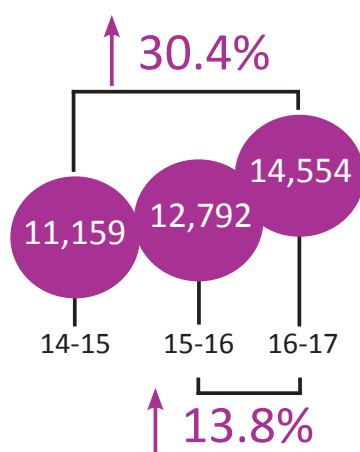
90,423 (72%) children were in new cases



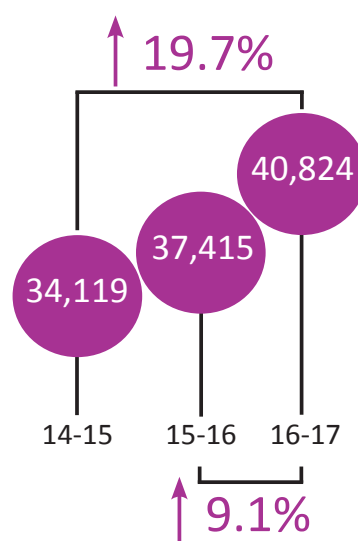
34,807 (28%) children were in existing cases^[2]

How we have managed rising demand pressures

Care applications



Private law applications



Demand has risen significantly in both our private and public law work. In some service areas this increase is even more pronounced, such as in the West Midlands^[3] which experienced a 28% increase in care applications, and Coventry, Northamptonshire and Buckinghamshire^[4] which saw a 19% rise in private law applications.

The drivers behind such regional variation and the impact on performance are being explored by Cafcass and MoJ both at a national level, and by Cafcass ADs at a local level with their local authorities and Designated Family Judges (DFJs).

Such increased demand has placed, and continues to place, many of our teams under serious pressure. Our focus has been on how to introduce supportive measures, so that we can continue to provide high quality and timely services to the children and families we work with.

To manage the fluctuations and increases in demand we have been innovative in supporting our **staff's resilience** to higher workload pressure, increasing our use of a cost-effective and experienced **flexible workforce**, and introducing time-saving **technology** and more **efficient processes**.

[2] Cases referred to us prior to the reporting period and on whose cases we continued to work during part, or occasionally all, of the year, and those cases which were closed during the year.

[3] A12: Birmingham, Black Country, Shropshire, Herefordshire and Worcestershire.

[4] A13.

Staff resilience

A motivated and resilient workforce has been crucial to maintain quality under the increased demand levels. Our Health and Wellbeing Officers developed training on stress and mindfulness which is available for all staff, and provided one-to-one support to over 100 staff members last year. Our National Service Managers' workshop in November, delivered by an outside facilitator, focused on developing strategies to meet high pressure environments and build resilience. Further resources are being shared with staff through team development days and online materials.

However, we recognise that there is a limit to the impact of this approach if individual workloads continue to increase. We have been working to ensure that our staff have manageable caseloads in order to perform well and maintain a healthy work-life balance.

A flexible workforce



Please note that the above 2016-17 chart is exclusive of net AME spend of £0.23m.

A flexible workforce has been essential to meet fluctuating levels of demand. One way we have achieved this is through our use of contracted social workers (Self-Employed Contractors or SECs) in every service area. Unlike agency staff, they are engaged for each case they take on, so can be deployed flexibly where required to meet resource gaps in different service areas. Our accreditation scheme ensures we engage only those with the most experience and highest quality work. We have over 100 SECs available to allocate across the country, and they are currently working on over 1,000 open cases. This has provided a sustainable and cost-effective way of managing demand pressures.

We have encouraged our retiring practitioners to consider offering their expertise as bank workers, so that we can continue to use experienced practitioners while increasing temporary capacity within teams. This has proven to be a popular choice and our number of bank workers has increased by 25% compared with last year. We also continue to use high calibre agency practitioners where the need arises, engaging just over 100 at the end of the year.

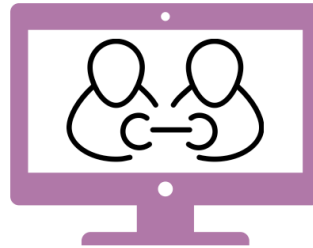
Technology

Our Innovation Project Development Board (IPDB) has a clear focus on increasing the time spent for our frontline staff to focus on direct work through opportunities around technology and practice innovation. We have provided training to staff, using a number of channels (face to face, webinars, videos) to demonstrate how the technology available to our staff can support and enhance the direct work we carry out with children and young people.



ECMS Mobile

- A smartphone view of our electronic case management system (ECMS) has been developed to promote productivity. Work can be completed flexibly when at court, with service users or during travel.
- It saves practitioners time, with immediate access to case information and on-the-go case recording and dictation options.



Virtual meetings

- Skype for Business has been enabled on all Cafcass laptops and tablets. This allows practitioners to conduct interviews by video or audio with service users where appropriate.
- It also connects staff across locations to save time travelling and support better communication.



Analytics

- Accessible, up-to-date case and workforce analytics play a pivotal role in supporting the management of increased demand.
- A range of innovative electronic tools for staff and managers include role-specific online dashboards, workload information and detailed reporting across our services.

Efficiency

We have worked to identify key areas within our processes and individual ways of working which may deliver greater efficiency to help manage demand. Within private law, we analysed our report work in a section 7 social work activity analysis study. A range of factors from higher-performing teams, including processes, training and IT-proficiency support were trialled in some areas. An evaluation identified areas influencing working patterns and quality, and highlighted key efficiency opportunities around technical competence to be taken forward next year.

Following feedback from practitioners, we auto-populated case information from ECMS in our case plan templates for both private and public law. Case plans support the quality of our work through robust issue exploration and planning of case activities at the start of a case. Auto-population of information held elsewhere in the case file, such as child and adult details or linked previous cases, will significantly reduce the time taken in this critical activity.

A child's journey through our service

Private law

Cassie's story^[5]

 We worked with
60,537
children and young people

76% were under 10 years old

 51% male 49% female

Here we show a journey one of these children and their family will have taken in the family courts and with Cafcass over the last year.

Cassie's mum and dad had her 10 years ago. After a difficult few years Cassie's dad left the family home when she was four. She always receives a birthday card from her dad but she hasn't spoken to him since 2013.

Cassie loves riding her bike and wants to be in the Olympics one day. She has a cat called Bob and hangs out with her nan after school while her mum is at work.

Cassie's dad has got a new job and a new partner, and is expecting a child. He feels like he's in a good place now: he has moved back to the area and wants Cassie to know her new half-sister. He tried to speak to Cassie's mum but she got really upset, saying this wouldn't be good for Cassie. He's made a Child Arrangement Order (CAO) application, asking the court to help him see her every week.

A Cafcass practitioner, known as a Family Court Adviser (FCA), in the local Early Intervention Team, Mo, has been allocated Cassie's case.

After listening to some concerns Cassie's mum has raised; talking to her dad; and looking at the information provided by the police and local authority (LA), Mo decides to advise the court that Cafcass does some further work with Cassie and her family.

Steve, a FCA from the team which writes section 7 reports, has been asked to access the concerns and find out Cassie's wishes and feelings. He meets with her and she uses an app on his phone to help her describe how she was feeling – excited but a bit anxious about seeing her dad. Steve also talked to her dad and her mum to explore whether how Cassie's dad had behaved in the past might still be an issue today.

Steve recommended to the court that Cassie start seeing her dad in a space she felt comfortable. He also recommended that her dad go on a course to help him and Cassie's mum communicate in the future, especially as things change with his new family. The court makes the final decision taking all of the information into account.

Six months on, Cassie is now seeing her dad once a month – usually at McDonald's! She's also getting to know her new half-sister and can't wait to teach her how to ride a bike when she's old enough.

Cassie's mum and dad have a good system in place for dealing with any unexpected changes on the days Cassie sees her dad.

[5] These stories reflect the experiences of many of the children we work with but are not actual cases.

Our process

Most of the cases we are asked to take on are about arrangements for children, usually after their parents have separated. These are known as private law cases.

Cafcass and others working in the family justice sector recognise that the family courts are often not the best places to resolve disputes. We have been running a Supporting Separated Parents in Dispute (SSPID) pilot helpline which allows parents to contact Cafcass pre-court to find out about other support options available out of court.

We also have a Parenting Plan that we promote, which helps parents plan for the realities of parenting after separation.

After receiving an application the court will ask Cafcass to find out more about the child, and write a safeguarding letter.

Part of our checks involve asking Cafcass' Police National Computer (PNC) Unit what information the police have about parties (level 1), and also requesting checks from the local authority and talking to both parties.

A duty officer will work with families at the first hearing to try to help parents reach a safe agreement without further involvement of the court.

The court may ask Cafcass to carry out further work and provide a section 7 welfare report. Cafcass has a suite of evidence informed practice tools to deal with issues such as domestic abuse, alienating behaviours, disability and mental health.

Practitioners also have apps and resources to help children and young people express their views – for example, using a Cafcass smartphone to take a picture of a child's drawing and inserting this in a court report.

These tools may help the practitioner identify that a child or parents would benefit from a contact activity – this could be a parenting course (e.g SPIP) or domestic abuse programme (e.g DVPP).

There are clear processes in place for making sure the work and report is high quality and child centred, and that everyone understands the reason behind the recommendation.

We ensure that throughout the life of a case we are focused on child outcomes. We provide children with feedback forms and are working on incorporating children's feedback into the Area Quality Reviews (AQRs) process.

Performance for the year

We received **40,824** private law applications.

3,023 people contacted our SSPID helpline in the pilot areas and **828** adults were eligible to be transferred to a FCA.

We wrote **35,850** safeguarding letters.

We completed **91,584** level 1 police checks.

68% of cases closed after the first hearing.

32% of our cases progressed to work after first hearing (WAFH) with a section 7 welfare report being ordered, of which **27%** had more than one report ordered.

1,624 child contact interventions (CCIs) were ordered.

We introduced **six** new evidence based tools for our practitioners to use in private law cases, including the Domestic Abuse Practice Pathway.

Our cases are quality assured against the four child outcome domains in the Quality Assurance and Impact Framework (QAIF). These are ensuring the child is safe, heard, better represented and enabled/advised.



74% of cases audited identified child centred practice as a particular strength. The uniqueness of the child being well represented in court reports was identified as a particular strength in work in **61%** of cases.

Compliment from boy aged eight:

"Thank you for everything you have done, if it wasn't for you I'd be in hell, so thank you very much."

Compliment from girl aged 14:

"Since my case ended I have felt better that I now don't have to think about what Dad would do at the weekend. I feel more in control of my own life now."

Public law



We worked with

29,886

children and young people

70%

were under 10 years old



Kofi's story

Kofi is three years old. His mother Mary is 24: her first child was taken into care when she was 17 and her second and third also went into care. Mary has periods of severe depression and does not stay on top of her medication. She also misused alcohol while her children were in her care.

Kofi's health worker is concerned that Mary is drinking heavily again and is not meeting his needs – he is underweight and missing several key milestones. Kofi's grandmother is a stable figure in her life but has a severe physical disability and is unable to take care of him.

Kofi's dad is in prison. He comes from a large family but doesn't talk to his parents and they are unaware of Kofi.

The LA has made an application for Kofi to be looked after by foster carers and placed for adoption.

Kofi's Children's Guardian Sue has reviewed the work the LA has done so far, and why it thinks Kofi needs to go into care. She carries out an initial case analysis, agreeing that care looks like the right option, but wants to see whether any of Kofi's father's family may be able to care for him.

Sue meets with Kofi and his mum. Sue has some questions about how she will work on this case that she puts to Cafcass' in-house psychologist.

She tries to make contact with Kofi's paternal family but it becomes clear that they cannot care for him.

Sue carries out her case analysis and makes her recommendation to the court for Kofi's future care, which she believes is in Kofi's best interests. Sue's recommendation supports the local authority care plan for Kofi to be looked after by foster carers and placed for adoption. The court makes the final decision taking all of the information into account.

Throughout her work with Kofi Sue keeps a clear record of what she has done and her assessment. This may be important for Kofi later on his life, to understand why the court made its decision.

Our process and performance

Cafcass has been working with several LAs to **pilot pre-proceedings work** (Cafcass Plus), to see if early support can be put in place to avoid the need for a child to go into care. In other cases, the emphasis will be on ensuring that as soon as a child is born, they can be placed in a safe environment and be on the road to permanent care.

This year Cafcass recorded **80** Cafcass Plus cases across the four pilot service areas.

Once proceedings are brought, the court will appoint a Children's Guardian, who will appoint a solicitor for the child. They will carry out an initial analysis of the child's needs ahead of the Case Management Hearing.

We introduced **10** new evidence based tools for our practitioners to use in public law cases. We also have an in-house psychology service available to support the work of our practitioners.

Our National Improvement Service (NIS) collaborated with the NSPCC to develop a new tool for our public law practitioners to help them assess cases featuring neglect. "It provides a structure to analyse paperwork in public law proceedings to keep the focus centered on children and the risk posed to them, supporting guardians to identify where the gaps are and keep the child's lived experience, which is so key in bringing neglect cases, to the fore." NIS manager.

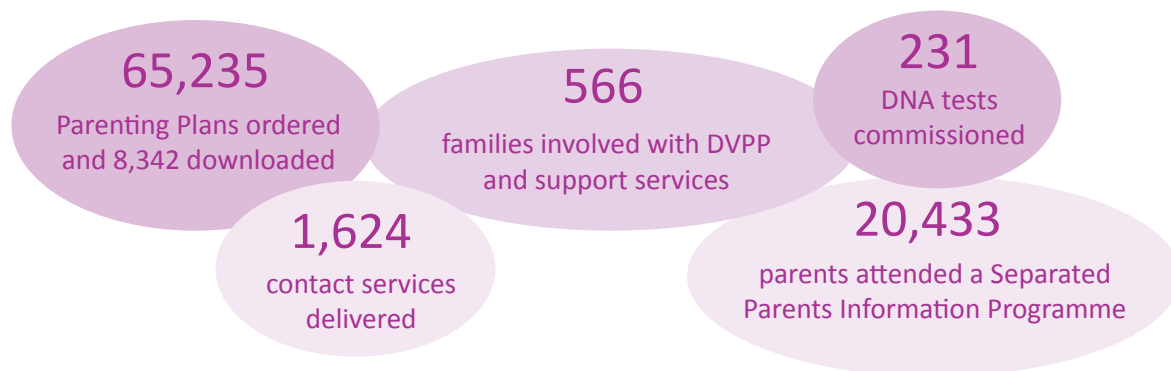
The psychology service has been used in **163** cases. Evaluation of the pilot showed that the service improved case analysis and the management of risk in 97% of audited cases.

The guardian will usually meet with the child and carry out a final case analysis having reviewed the LAs work. They will make their recommendation to the court on what they believe is in the child's best interest.

Next year we will be running case recording workshops, including messages from young people affected by poor recording on childhood social work files.

Commissioned services

Our National Commissioning Team (NCT) delivers programmes for the family courts that help parents resolve private law cases. These are delivered through third sector and private service providers.



Court ordered interventions

Supervised and supported child contact intervention (CCI) programmes	£1.55m on CCIs £0.45m in grants to 192 centres for supported contact	These interventions enable safe contact to take place, often after a long break. We have given a stronger focus to dispute resolution during these interventions, working with parents to help them develop sustainable long-term arrangements. "By this service just existing you have helped me and possibly countless other mothers and fathers reconnect with our children, something that seemed like such an impossibility at the time." Non-resident parent.
DNA testing service	£0.02m	This offers a Cafcass-funded low-cost testing service which delivers certainty for those making decisions in private law. We have extended the contract for this service this year.

Court ordered activities

Separated Parents Information Programme (SPIP)	£3.12m	This programme particularly helps parents to focus on the needs and wishes of their children. It also emphasises practical steps to handle emotions and improve communication as separated parents. "[It] made me realise I need to think about what I say before I say it as it has more of an effect than I thought." SPIP participant. "Very informative and does open your eyes towards the feelings of others, children especially." SPIP participant.
Domestic Violence Perpetrator and safe contact programmes (DVPP)	£0.75m	We continue to support change in families affected by domestic abuse. These programmes challenge harmful behaviours and support change. They also offer a support service for victims of abuse. "I was happy that the WSS [Women's Support Service] did not give up contacting me, even though I felt low at times and did not want to talk to anyone." Supported mother

Out of court options

Parenting Plan: getting it right for children	£0.01m	This tool offers a good way into dispute resolution for parents away from court, helping them listen to their children's views and make child-focused arrangements. Its use is encouraged within CCI work as well as within out-of-court pilot work such as Parenting Plan meetings. We provide free hard copies and online downloads.
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Quality of our practice

We have continued to show improvement in the quality of our work by implementing a robust process of quality assurance and thematic audits. We will continue with this internal audit and quality assurance programme throughout 2017-18 to help improve the quality of the service we provide.

How our work is quality assured

Cafcass' National Improvement Service (NIS) focuses on supporting quality improvement in frontline work to help Cafcass provide the best service possible to children and young people. NIS assures the quality of our work by carrying out thematic audits, area quality reviews and local area benchmarking sessions with the aim to achieve consistency in the grading and application of Cafcass' Quality Assurance and Impact Framework (QAIF). The below table provides a summary of the work carried out by NIS and teams this year to help assure the quality of our practice.

Activity	What did we deliver?
Embedded the Quality Assurance and Impact Framework (QAIF) tool	<ul style="list-style-type: none"> This came into full use in April and is used by Service Managers and Practice Supervisors across the organisation to quality assure cases. It is underpinned by a methodology that considers both the impact of our work upon children and compliance with the organisation's policy expectations. We test the thresholds within the framework by holding local area benchmarking sessions with our NIS, Heads of Practice, Service Managers and Practice Supervisors. Monthly updates are provided to the Operational Management Team (OMT) on compliance with QAIF expectations, key strengths and learning areas.
Area Quality Reviews (AQRs)	<ul style="list-style-type: none"> We have continued our programme of Area Quality Reviews. This year six service areas were subject to an AQR, adding to the three completed in 2015-16. This methodology involves a peer review of service areas. Good overall findings have been combined with strong learning points to enable measurable improvement to children. The AQR model received positive feedback by Cafcass' internal audit service^[6] assurance audit undertaken in October 2016. In line with the audit recommendations, the methodology was strengthened to allow for follow up three months after the process, to assess whether learning points are being addressed. Learning from AQRs is shared nationally through the OMT meeting and recorded within the national learning log. An example of local learning identified includes improving practitioners' compliance with case recording, in times of high demand.
Thematic audits	<ul style="list-style-type: none"> These audits have focused on thematic areas of practice including domestic abuse in private law, liaison with independent reviewing officers in public law, the quality of our safeguarding practice in the early stages of private law proceedings and the impact of the voice of the child in all our casework. These audits have identified the organisation's resilience in maintaining practice quality in the context of increased demand. We will continue a programme of thematic auditing throughout 2017-2018.
The quality of our work	<ul style="list-style-type: none"> 69% of cases audited were assessed as 'outstanding' or 'good', 23% as 'met' and 8% as 'requires improvement'^[7]. We redesigned the case planning process in partnership with practitioners, informed by learning.

Example of how we are applying learning from thematic audits

The voice of the child thematic audit found evidence of improved practice in relation to the quality of capturing the voice of the child in practice, in particular relating to the use of child engagement tools. Following a recommendation from the audit, Cafcass' learning and development plan for 2017-18 was updated to include 'master classes' with practitioners on direct work with children, including using contemporary techniques to help further improve practice in this area.

[6] Cafcass' internal audit service is provided by the Government Internal Audit Agency, see page 46.

[7] We are not able to compare these figures to 2015-16 figures, as we have used a different grading framework this year.

Our commitment to driving up quality

Other activities that demonstrate how we have continued to improve the quality of our work this year are set out below.

Child outcomes

- The child outcomes pilot project was carried out in three service areas in October, asking children, parents, judges and practitioners in a small number of private law cases about the quality of our service and its impact on the outcome for the child.
- All six children said that their FCA helped them, and five said that issues in their family had improved following the ending of the court case.
- We are now exploring incorporating survey questions for parents and children into the AQR process so that outcomes data and service user feedback can be gathered in each service area.
- Survey responses will be aggregated into an annual service user feedback overview and will contribute to our knowledge of the effectiveness of private law proceedings and help improve the service we provide.

Family Justice Young People's Board (FJYPB)

The FJYPB has worked with Cafcass on a range of different projects and events to improve the quality of our work, including:

- participating in service area development days
- contributing to AQRs
- sitting on recruitment panels
- reviewing documents and proposals to strengthen children's feedback
- working with NIS on training and resources, including involvement in the design of electronic tools
- working with Cafcass' major stakeholders, including ongoing liaison with MoJ, contributing to their policy development.

The FJYPB has developed 'top tips' leaflets and videos for FCAs and other professionals working with children and young people in the family courts. Examples of the top tips include:

Sasha's, for FCAs working with children and young people:

"The child or young person should feel that their needs, wishes and feelings have been listened to, valued and respected."

Matthew's, for working with children and young people with autism:

"Give me simple questions so I don't get confused."

Aleesha's, for working with children and young people with a disability:

"Respect me and my disability."

The FJYPB 'top tips' have been shared in full on Cafcass' website and intranet, promoting best practice.

Seminar on importance of brother and sister (sibling) relationships

Cafcass practitioners and FJYPB members hosted a seminar for Cafcass Board members, considering the importance of brother and sister relationships^[8] for children and young people in public and private law cases, resulting in:

- commissioning the FJYPB to develop 'top tips' for professionals working with brothers and sisters
- further exploration of the recognition of the importance of sibling relationships in the 2017-18 audit programme.

[8] The FJYPB noted that the term 'sibling' often isn't recognised by children and prefers to use 'brothers and sisters'.

Social Worker of the Year Awards

We celebrated the following staff achievements at the Social Worker of the Year Awards:

- Daniel Hope, Family Court Adviser, won Gold for Practice Educator of the Year award. The judges recognised his personal commitment to improving the breadth and depth of his students' social work placements.
- Michelle Evans, Head of Practice, won Silver for Children's Team Leader of the Year. She has worked hard to maintain high standards of practice in Greater Manchester, Cheshire and Merseyside, and has developed the Practice Supervisor role across the region.

Writer in residence

- Our Royal Literary Fund 'writer in residence', Yvonne Coppard, has continued to deliver a programme of workshops and 1:1 sessions which complements existing initiatives to improve the writing of our staff.
- This year Yvonne ran 65 team workshop presentations and 30 one-to-one sessions. Feedback from all sessions was excellent.
- Going forward, the 'Write More Good' workshop will be part of the FCA's induction.

Evidence based tools

We have continued to expand the range of evidence based tools available to our practitioners - new tools launched this year include:

- a pathway to help structure the analysis cases featuring domestic abuse to ensure a systematic review of the risk to the child
- a tool to assess coercive control, highlighting features that are indicative of such behaviour and supports practitioners to assess this dynamic risk more fully
- tools to assess levels of risk related to neglect, parents' capacity to change and risk of re-abuse in public law (care) cases
- tools for direct work with children with disabilities or additional needs
- a tool to assess a child's level of risk of child sexual exploitation
- We also introduced a resource section of the tools matrix, bringing together a number of evidence-informed practice resources.

A NCT Service Manager describes how the domestic abuse pathway helps our practitioners in their work: "The pathway assists with the systematic analysis of domestic abuse cases – it helps practitioners identify key risk factors and stimulates critical thinking. Working on the idea of a 'golden thread', it supports practitioners to establish a clear connection between their initial lines of enquiry and the final order. It also helps draw out the impact of domestic abuse on children so practitioners can evidence this confidently."

Supporting our staff to deliver quality

Equality and diversity



We delivered diversity events in local areas led by our diversity champions.

- We updated our training to staff on equality and diversity issues such as, launching the Communicating with Deaf Parents module on MySkills^[9].
- Our diversity champions ensured learning is shared nationally. For example, a talk was delivered by one of our practitioners in London, on working with people with dyslexia.
- Work is underway on updating our Equality and Diversity Strategy for 2017-20.

IT



We delivered new IT training via **316** webinars.

- The webinars help save our practitioners time and money (on travel costs).
- We implemented two further major updates to ECMS which had a considerable focus on further process automation to increase efficiency.
- We introduced ECMS mobile so that practitioners can access case records on the move.

Operational Business Manager said: “Delivering high quality, competency focused IT training in a way that reduces the amount of time our practitioners spend away from their core tasks with children and families, has been top of the agenda for the IT Team.”

Learning and development

We offer continuous learning and development opportunities for our staff. In 2016-17 we have provided:

eLearning:



Over **5,000** pieces of practice learning have been completed.

- This includes eLearning on protecting information and child sexual exploitation.
- There have been new courses added to the catalogue, including: learning from serious Case Reviews, high-conflict child arrangement disputes and assessing impact of mental health on children and parents.

[9] Learning conducted electronically within Cafcass' online learning site, MySkills.

Resources:



74 off-the-shelf resource packages have been requested for delivery to teams.

New child engagement tools have been developed to support better communication and effective assessment of children's wishes and feelings.

Face to face:



1,805 staff attended 191 face-to-face workshops.

Learning via face-to-face workshops delivered either internally by NIS and/or HR or by external experts.

A HR Projects Officer (Organisational Development) describes the impact this has: "The continuous learning and development opportunities we offer to all staff across the organisation increases the overall level of engagement and equips them with the necessary knowledge and information they need to provide the highest level of service to children."

Legal Team

Cafcass' Legal Team supports staff by providing advice, training and legal updates:



The duty advice line for practitioners received **1,699** calls.

- The team continues to provide a duty advice line for practitioners on all aspects of family law.
- This year's legal training included sessions on radicalisation and forced marriage.

Library service

Our library service strengthens our advice to court using evidence informed practice. This year the library service:



completed **4,540** requests for items, subject searches and reference enquiries,
sent out **9,980** items (journal articles and books),
responded to **886** requests for subject and literature searches.

Of the requests completed, **96%** were received from operational staff.

Practitioners use the library to build knowledge on rapidly developing subjects including radicalisation, child sexual exploitation, Special Guardianship Orders, domestic abuse/coercive control, and female genital mutilation.

A FCA in Manchester describes how the library service helps her: "The court, judges, barristers and children's solicitors have given me very good feedback on a number of court reports filed. This is largely due to the brilliant response from the library, equipping me with the ability to provide an evidence-based, analytical and well-researched approach to advancing a child's best interests".

Cafcass Analytics Team

Cafcass Analytics Team has created a wide range of tools, reports and dashboards which are now available in one place on the intranet to provide all staff with easy access to detailed information to help support and manage their work. This includes electronic case management reports, operational data, HR and workforce data, workload weighting^[10] and MyWork^[11].

An Assistant Director describes how the Analytics team helps her: "The richness of data and business intelligence now available to me as a senior manager ensures that I am evidence-led in my decision making and forward planning. The range of on-demand interactive tools and dashboards provide business critical support to me and all our managers and staff."

[10] Workload weighting refers to the calculation and 'score' Cafcass assigns to different types of case involvement, giving an overall rating for each practitioner to help their manager and Cafcass monitor workload.

[11] MyWork is an online performance dashboard, setting out performance against a number of measures at an individual, team and service area level.

Our innovation and influence in the family justice sector

Innovation ——— We are committed to trialling and evaluating new ways of working to help improve outcomes for the children and families we work with and drive greater efficiency within the sector.

Private law reform

Supporting Separating Parents in Dispute Helpline



- This helpline, piloted in five service areas, signposts separated parents to appropriate resolution pathways.
- Evaluation at the start of the year evidenced the need for this service as well as its effectiveness. On average over 200 calls were received each month in the five service areas; 84% of surveyed users would recommend the service; and 74% found their case worker helpful or very helpful.
- Findings and ongoing provision of the service have helped inform discussions on options for new private law interventions.

Parenting Plan Meetings and discussions



- This service, piloted in three service areas, offered pre-court meetings supporting parents to discuss issues and agree a twelve month plan for child arrangements. Meetings explore creating a child-centred plan, consider methods to improve parental communication, and highlight options for further support.
- In a nine month period, almost 250 enquiries were received. 34 face-to-face meetings and five telephone discussions (to trial increased service accessibility) took place. Users were positive about the service with 80% of feedback stating that they would recommend the service to someone in a similar position.

'Out-of-court' alternatives



- We are working with MoJ to increase the information and support available for separating parents before court.
- We are also providing support to explore how alternative out-of-court options can most effectively assist families to make safe and sustainable child arrangements. We focus particularly on how to ensure safeguarding and the voice of the child are kept central to the process.

Public law reform

Settlement conferences



- We are participating in the judiciary's pilot of 'settlement conferences'. This is where the judge talks directly to parties to discuss the likely outcome of their case, and the judge and Children's Guardian carry out a 'mutual evaluation' of a local authority's case at pre-proceedings stage.
- This year 146 conferences took place, and 70% achieved a consent order out of court which means an agreement on the next steps was made. Where this happened, a court hearing was avoided, saving 178 days of court time.
- Such agreements are also hoped to reduce delay for children and stress for parents that can come with a final hearing. MoJ are monitoring and evaluating the impact of the scheme. Following initial trials in Cheshire, Merseyside and Devon, the pilot is being extended to additional areas.

Cafcass Plus



- This model pilots our pre-court involvement in public law cases, with the aim of diverting cases from court or narrowing issues and improving assessments. The Children's Guardian acts as an independent voice and works with local authorities and parents to assess the viability of child protection plans. If cases progress to court, the Cafcass Plus work informs our initial case analysis to reduce delay.
- This will be extended from three current areas (Lincolnshire, Derbyshire County and Nottinghamshire) to two new areas (Bedfordshire and Birmingham); further evaluation is planned to build on positive findings from previous reports.

Research

Our data is a valued source of information across the family justice system. We aim to use our unique position and insight to generate high impact and timely research to inform our own practice and influence policy across the family justice system. We conduct our own research projects to inform practice, and support high profile research by external researchers.

Internal research

- We published a study into cases featuring radicalisation concerns exploring the implications for social work practice.
- We are collaborating with Women's Aid, to better understand what is happening in child arrangements cases where domestic abuse is alleged.
- We carried out a file review of cases featuring concerns about child trafficking, finding examples of children and adults trafficked within the UK and into the UK.
- We explored best practice within high conflict (rule 16.4) cases, to explore the quality and impact of Cafcass involvement.
- Senior managers reviewed over 200 private law applications (C100s) received on two working days to provide evidence on the proportion of cases containing risk factors and the type of risks, as well as those which appear suitable to safely resolve out of court. This contributes to the evidence-base for our work with MoJ piloting new private law services.

External research - publications of external research involving Cafcass this year included:

- evaluation of the impact of Family Drug and Alcohol Courts (FDAC)
- impact of the Public Law Outline (care proceedings reform) on child outcomes in the Tri-borough area^[12] (final report) and nationally (interim report)
- conflicts of EU courts on child abduction
- unlocking children's rights: strengthening the capacity of professionals in the EU to fulfil the rights of vulnerable children.

Collaborative working

This year we have built stronger links with research partners and are a key supporter of the proposed 'Family Justice Observatory' which has the potential to build a valuable evidence base to inform our practice. This is being established by the Nuffield Foundation to improve both the research which is conducted into family justice, and how it is used within the sector. We contributed to the call for evidence and our participation will influence the scope of future research programmes to help us better understand emerging trends and needs of the children and families we work with.

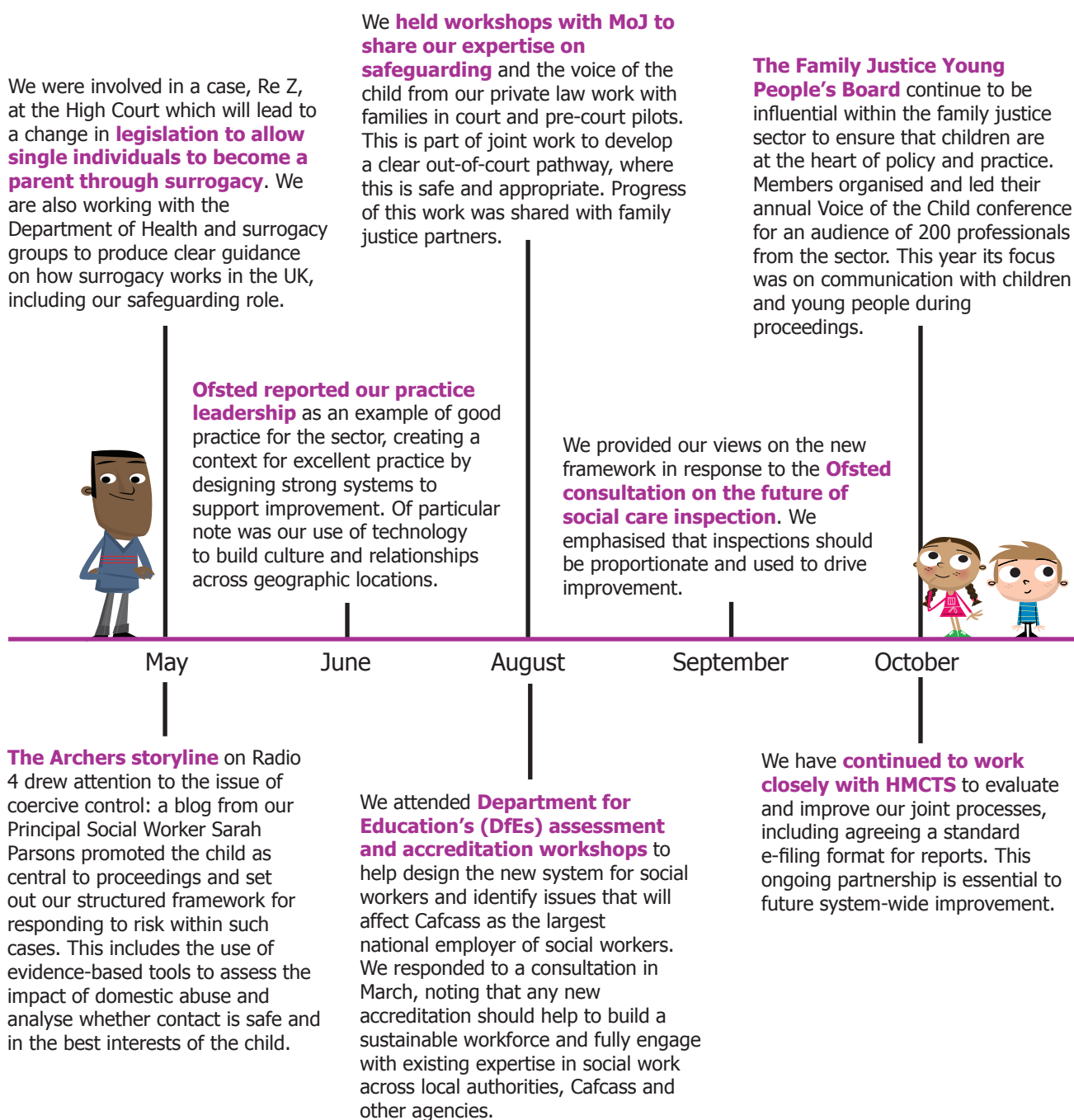
We also began work with MoJ to analyse linked family court and education data to better understand the demographic characteristics of children involved in the family justice system, which is a research priority for the Family Justice Board. We supported MoJ research, with a Cafcass representative on the advisory group for the study of settlement conference pilots, and participation of Cafcass staff in discussion groups for the study on the effectiveness of the tandem model in public law proceedings.

[12] Shared Children's Services of Westminster City Council, Hammersmith and Fulham London Borough Council and Kensington and Chelsea London Borough Council.

Influence

We aim to share our expertise and ideas on how best to meet the needs of children and families involved in family proceedings, drawing on knowledge from our frontline staff and the FJYPB, to better support those we work with. We build and maintain positive working relationships with partner organisations and interest groups so that we can share tools and knowledge to contribute to wider sector improvement.

The following timeline highlights some of the key areas of work where we have demonstrated our influence.



Our Director of Resources, Julie Brown, continues to work with tech industry leaders to **access new and emerging thinking from outside the sector** to provide ideas for innovative services and effective forecasting capabilities. Cafcass facilitated a session at the Digital Catapult Centre to talk with industry experts on sustainability and digital developments.

We responded to the **Home Office and DfE consultation on mandatory reporting and a duty to act**. We outlined concerns about the impact of introducing mandatory reporting to a system that is already experiencing unprecedented demand and highlighted the work already underway to make the child protection system safer.

We **jointly hosted a 'Care Crisis Seminar' with the Nuffield Foundation** about the increasing volumes in care applications which shared research, analysis and practice insights. Trends and variations across local areas were discussed, as well as ongoing research into drivers of care applications and implications for how they might be tackled, including recurrent families (Karen Broadhurst), impact of poverty (Paul Bywaters) and safeguarding pressures (ADCS). Cafcass Chair Baroness Tyler called for a whole-sector approach to tackle the issues and pool skills, knowledge and influence.

We launched our **'myCourtroom app'**, an interactive simulation, to demystify court proceedings for both service users and social workers. The service user version will help litigants in person and children understand what to expect at court. The social work version links to court skills training to support improved evidence-giving in court by practitioners within and outside Cafcass.



November

January

February

March

We issued a **joint statement with ADCS on the process for settlement conferences** and suitable cases where they can be used.

We responded to the **Family Rights Group's knowledge inquiry on the use of section 20 voluntary arrangements**. Our response was based on the joint guidance document issued by Cafcass, ADCS and ADSS Cymru in April 2016, which confirms that section 20 remains a viable option for many children. We gave examples of the positive use of section 20 and stressed the importance of a robust review process to ensure section 20 status remains the appropriate legal option for the child.

We became a **'partner in practice' with NIGALA**, the equivalent agency to Cafcass for public law cases in Northern Ireland.

Section 1.1

The performance report

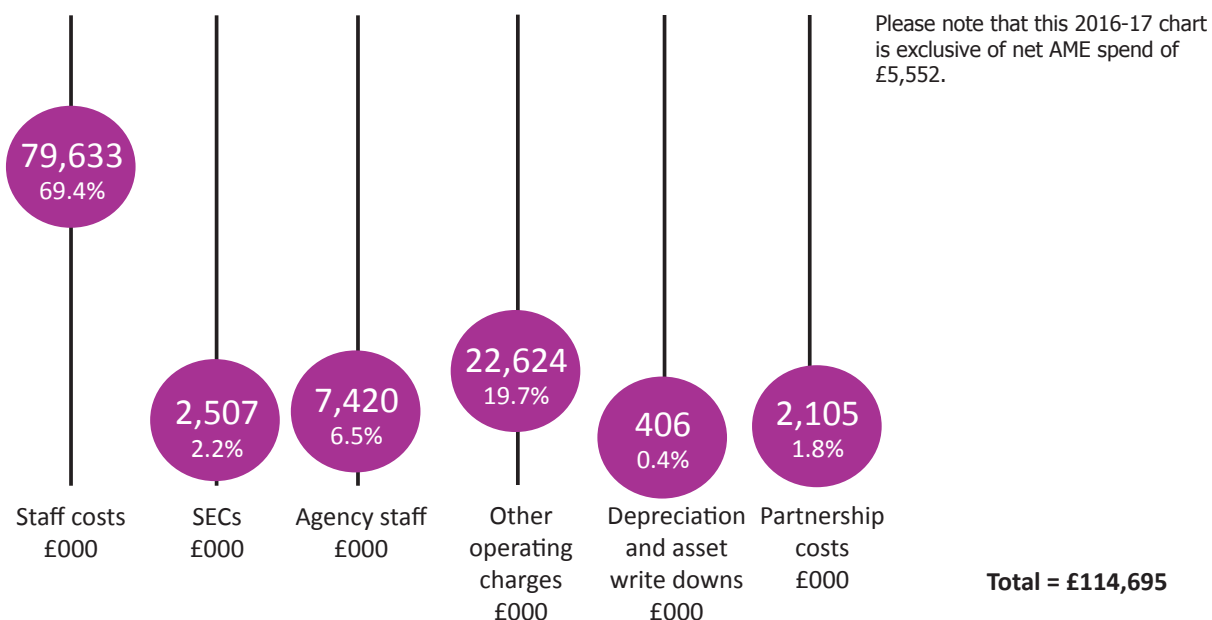
Performance analysis

Financial commentary

In 2016-17, Cafcass was awarded grant funding of £113.5m from Central Government, plus £0.406m for depreciation.

We also drew down from the sponsor separate additional funding of £1.546m for contact services.

A summary of how we spent our budget is shown below and further details are provided within our 2016-17 Accounts in Section 3.



The Cafcass Statement of Financial Position as at 31st March 2017 shows net liabilities of £193.340m, including the pension liability of £191.853m. This reflects the inclusion of liabilities falling due in future years which, to the extent that they are not to be met from Cafcass' other sources of income, may only be met by future grants or grants-in-aid from Cafcass' sponsorship department. This is because, under the normal conventions applying to Parliamentary control over income and expenditure, such grants may not be issued in advance of need.

The pension deficit at 31st March 2017 has increased compared with 31st March 2016 due principally to the financial assumptions that underpin this and so drive the estimation of the future liability. These assumptions are proposed by scheme actuaries and scrutinised through the Audit and Risk Assurance Committee. They are considered to be reasonable and reflect a range of broader economic factors.

The aggregate amount owed to trade creditors at 31st March 2017 compared with the aggregate amount invoiced by suppliers during the year, expressed as a number of days in the same proportion to the total number of days in the financial year, is equal to 1.02 days (0.65 days in 2015-16).

Interest of £nil has been paid or claimed by creditors under the Late Payment of Commercial Debts Act (£nil in 2015-16).

Parliament has voted Grant-in-Aid to Cafcass for the 12 months following the Statement of Financial Position date. Therefore, despite the Statement of Financial Position of net liabilities, Cafcass operates as a going concern.

Key Performance Indicators: how we have performed

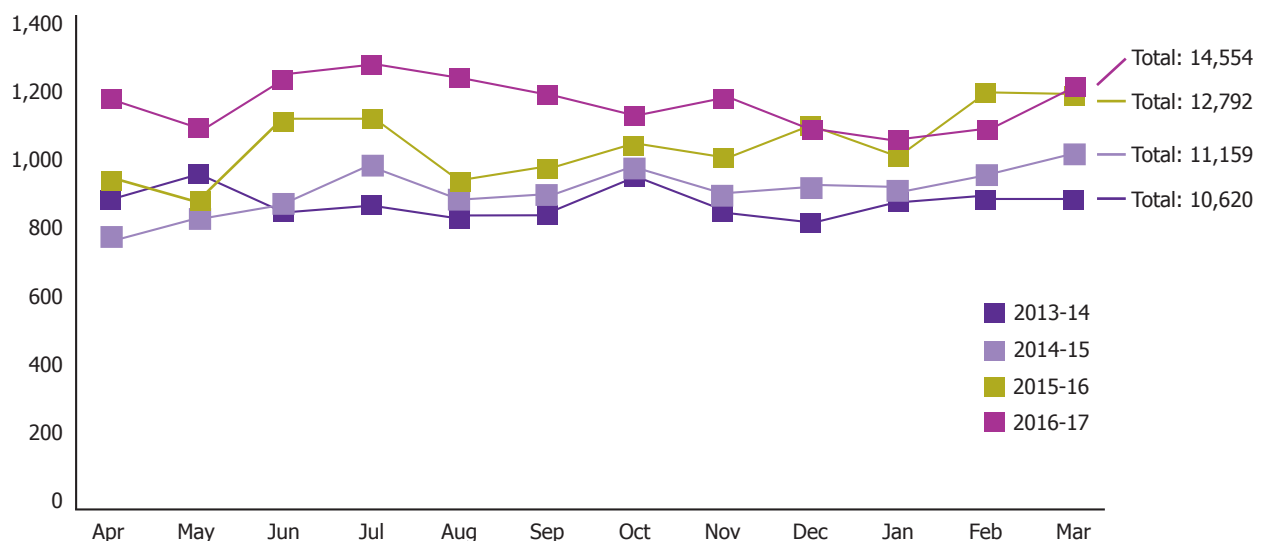
How we measure performance

Cafcass has four Key Performance Indicators (KPIs) which are agreed with our sponsor department^[13]. These cover our work in both public (care and adoption) and private law (arrangements for children, usually after divorce and separation) cases.

- For both public and private law, we measure the percentage of 'open' (ongoing) cases which have an allocated Cafcass practitioner – a Children's Guardian in public law care cases (KPI 1) and a Family Court Adviser in private law cases (KPI 3). We measure this because work can only be started on a case once an individual practitioner is allocated to it. We aim for at least 97% of cases to be allocated.
- For public law, we measure how quickly a Cafcass practitioner is allocated to a case (KPI 2). We measure this because we recognise that unnecessary delay negatively impacts children in public law proceedings, who need safe and stable outcomes as quickly as possible. We aim for allocation within three days.
- For private law, we measure how many section 7 court reports^[14] are completed by the date the court has ordered them for (KPI 4). We measure this because we recognise the importance for families of receiving our reports on the agreed date so that proceedings can progress and children have safe and stable arrangements as quickly as possible. We aim for at least 97% of reports to be filed on time.

How we have performed in public law

Care applications received



[13] Our current KPIs have been unchanged since 2012-13; see appendix for how these are calculated.

[14] In some private law cases which continue past the first hearing, Cafcass is instructed by the court to complete a section 7 report. Section 7 reports provide the court with relevant information about the child's welfare and the practitioner's assessment of what is in the child's best interests, and are based on interviews with adult parties, meetings with the child and any other relevant enquiries.

Rise in demand	New cases	'Open cases'	Case duration
<p>Received 14,554 care applications</p> <p>higher than 2015-16</p> <p>13.8% (1,762)</p> <p>&</p> <p>higher than 2014-15</p> <p>30.4% (3,395)</p>	<p>We received on average over 1,200 new care applications per month</p>	<p>The overall number of open public law care cases rose from 9,071 in March 2016 to 10,171 in March 2017, a 12.1% increase. The overall rise in demand contributed to this increase.</p>	<p>The average duration of care cases has reduced from 30 weeks in 2015-16 to 29 weeks in 2016-17.</p>

Other public law case types

Our public law work also involves 'non-care' cases, which are set out below. The snapshot number of open 'non-care' cases was 2,055 at the end of March 2017, compared with 1,900 at the end of March 2016, an increase of 8.2%.

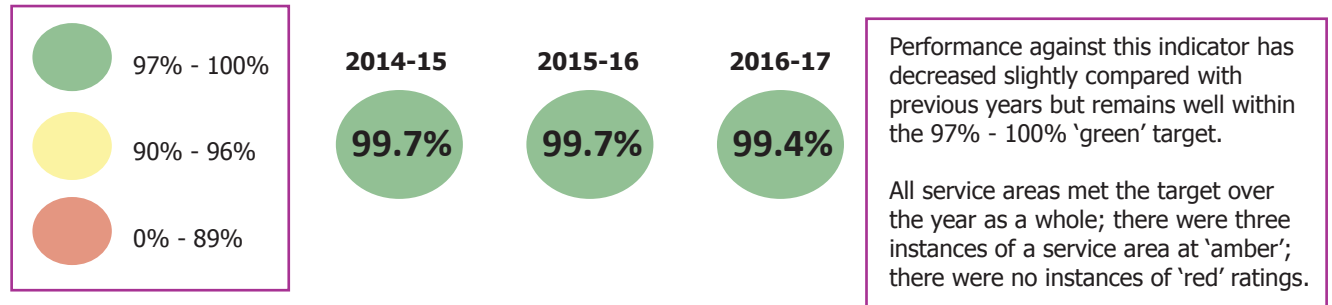
Public law application type	Number of applications received		Trend
	2015-16	2016-17	
Placement Order applications	2,341	2,528	8%
Adoption applications involving Cafcass	1,112	1,079	3.1%
Special Guardianship ^[15] applications	900	894	0.7%
Standalone Supervision Order applications	394	487	23.6%
Cafcass witnessing consent in respect of relinquished babies and children	81	60	25.9%

[15] These applications can be public or private.

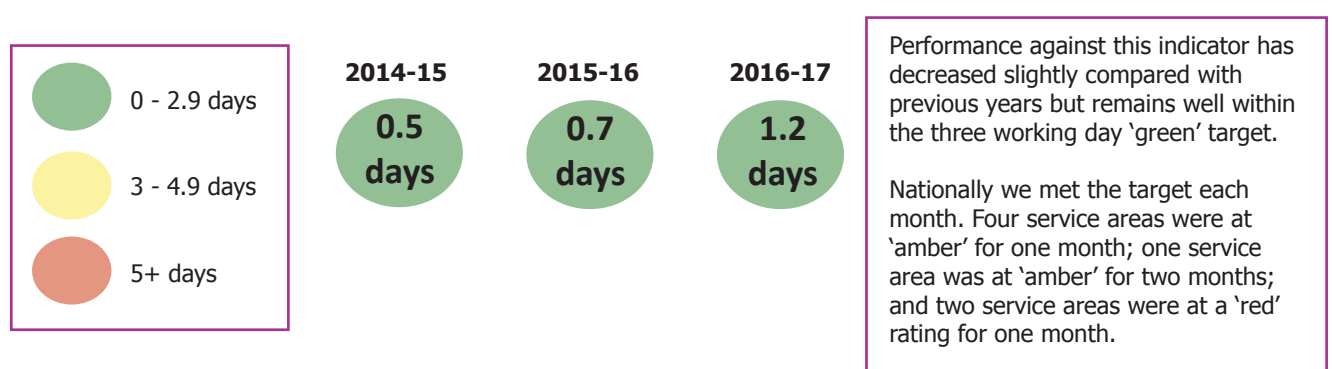
Public law KPIs

We continue to meet our allocation targets in public law (KPI 1 and KPI 2). This is a significant achievement given the rise in the number of cases received without increasing our workforce.

KPI 1: the proportion of open public law care workload allocated to an appointed Children's Guardian

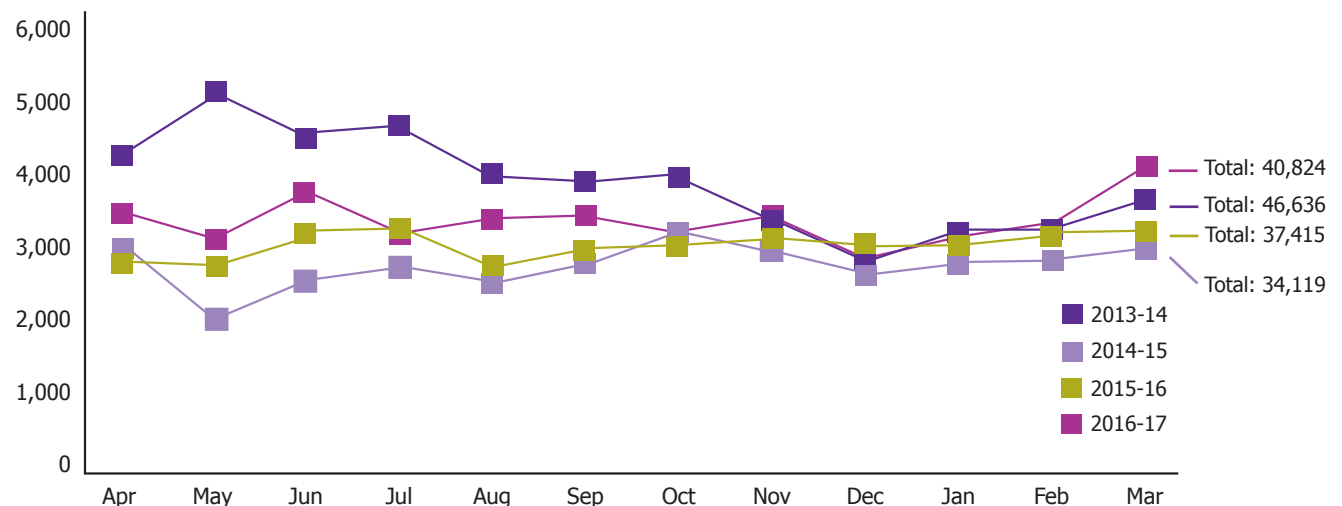


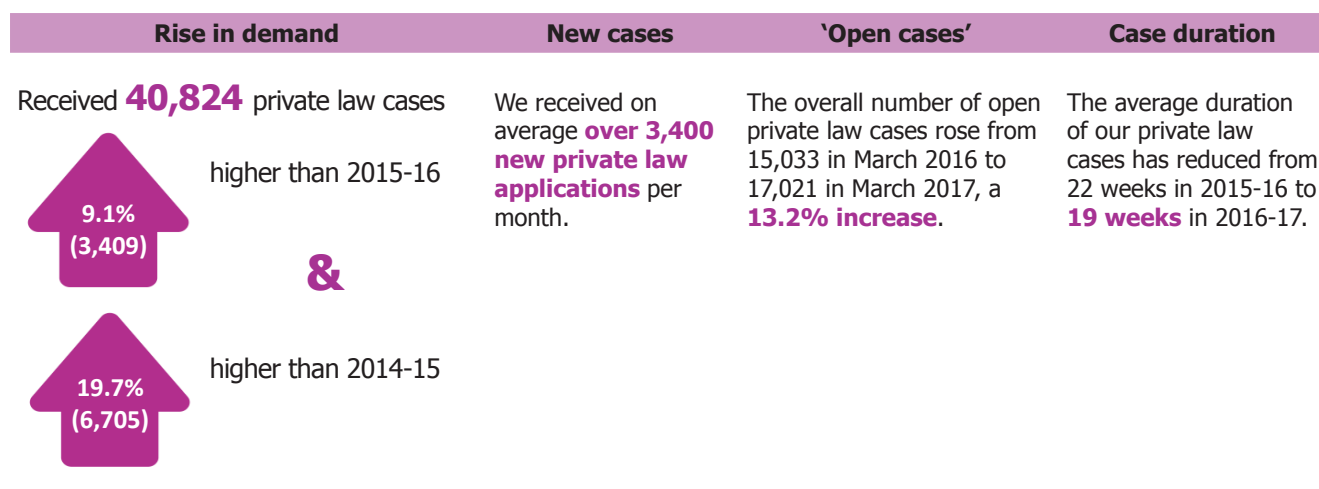
KPI 2: the timeliness of allocation to an appointed Children's Guardian for all care applications received



How we have performed in private law

Private law applications received





Private law case types

- **Child Arrangements Orders** (CAOs) make up the majority of our private law work (87%). Of our 32,473 completed CAO cases, 68% were completed at the first hearing, and 32% involved further work after the first hearing (a section 7 report). Of those cases involving a section 7 report, 27% had at least one more report ordered during the case. A total of 35,850 safeguarding letters and 16,594 section 7 reports were filed.
- For CAO cases which completed at the first hearing, the average duration was eight weeks; for those which involved work after the first hearing the average duration was 41 weeks.
- **Rule 16.4 appointments** may be made in some private law cases which means the child is separately represented in court by a Children's Guardian and a solicitor^[16]. The number of new rule 16.4 appointments has increased by 5.6% (from 1,778 in 2015-16^[17] to 1,878 in 2016-17).
 - **Parental Order applications**, where parents have had a child through surrogacy, increased by 6.8% (from 295 in 2015-16 to 315 in 2016-17).
 - **Family Assistance Orders**, where the Cafcass practitioner is required to advise and assist on the implementation of the ordered child arrangements, decreased by 9.6% (from 488 in 2015-16 to 441 in 2016-17).

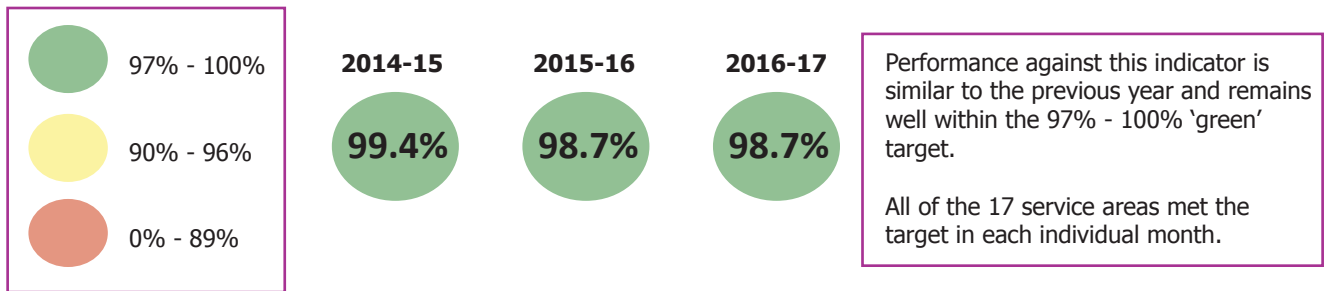
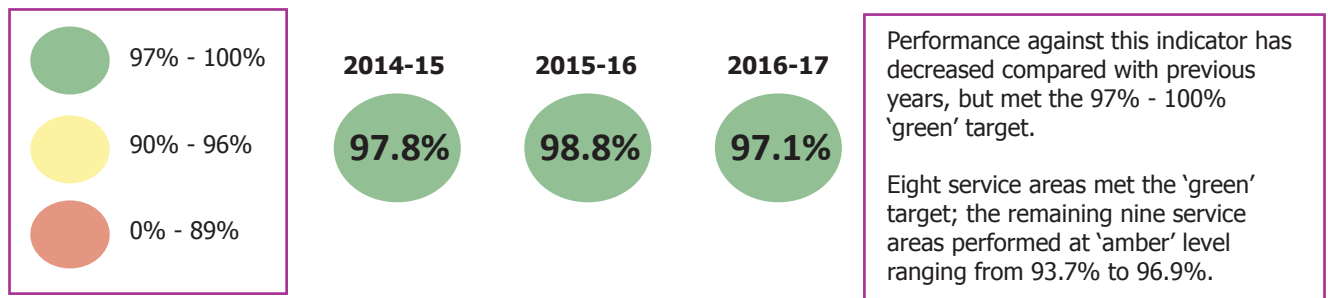
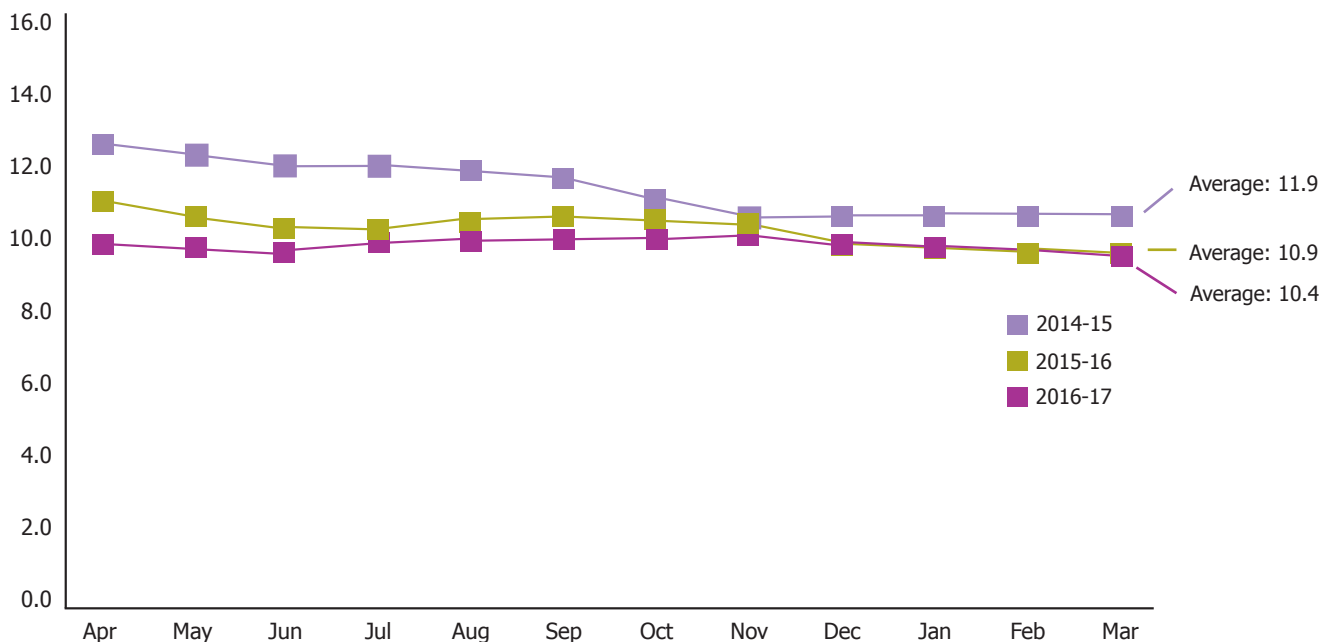
Private law KPIs

We continued to meet our targets for ensuring cases have an allocated practitioner in private law (KPI 3) and for completing section 7 reports within court-ordered timescales (KPI 4).

The slight performance decrease for KPI 4 may be explained by the increase in overall demand (see KPI 4 on page 33). On average, where the target was not met, the report was filed 2.4 calendar days late. It is worth noting that where a section 7 report has an input to a hearing, they are filed on average seven days before the listed hearing in which they were due to be reviewed. The average filing time has also shortened compared with previous years, from 11.9 days (2014-15) to 10.4 days (2016-17).

[16] These are typically made in complex and often long-running cases where the court believes that such representation is necessary to safeguard the child's interests. We have maintained effective liaison with local judges to ensure that such appointments are only reserved for the exceptional cases where there are circumstances of significant difficulty and only made after consultation by the court with the local Cafcass manager.

[17] This figure is based on an updated reporting method for rule 16.4 cases.

KPI 3: the proportion of open private law workload allocated to a Family Court Adviser**KPI 4: the proportion of section 7 reports that meet their agreed filing times****Average filing times of section 7 reports (in weeks)**

Compliments, complaints and other correspondence

We aim to respond to concerns raised about our work in a way which prioritises the safeguarding and promotion of children's welfare.

Complaints and compliments

We take account of service users' feedback and aim to put things right wherever possible. We also record compliments to learn from and to share good practice.

We received **988** complaints.

This means we receive only three complaints for every 1,000 open cases.

We completed 97% of responses to these within our target of 15 working days.

We received **427** compliments (one compliment for every two complaints).

This year we updated our Complaints and Compliments procedure to help service users navigate the process more easily. We clarified the process for abusive or threatening complaints, and such complainants are now warned about their behaviour and given the chance to re-submit their complaint.

A quarterly analysis of complaints and compliments is carried out, with learning shared through the quarterly learning log.

Investigations by the Parliamentary Health Service Ombudsman (PHSO)

The PHSO proposed to investigate 32 complaints about Cafcass, with 25 of those being confirmed as investigations during the year. This is a decrease from previous years, which we attribute to the PHSO closing more cases at their assessment stage.

We received 28 final reports in 2016-17 and we complied with all recommendations made. We have continued to work effectively with the PHSO during their period of restructure.

PHSO decision on complaints (2016-17)		
Upheld	Partly upheld	Not upheld
4	13	11

Other correspondence

We received

86

Subject Access Requests (SARs).

We processed 100% of these within the required timescale.

We received

143

Freedom of Information Requests (FOIs).

We processed 100% of these within the required timescale.

We responded to

159

enquiries made by MPs on behalf of their constituents.

We responded within seven working days on average.

Sustainability report

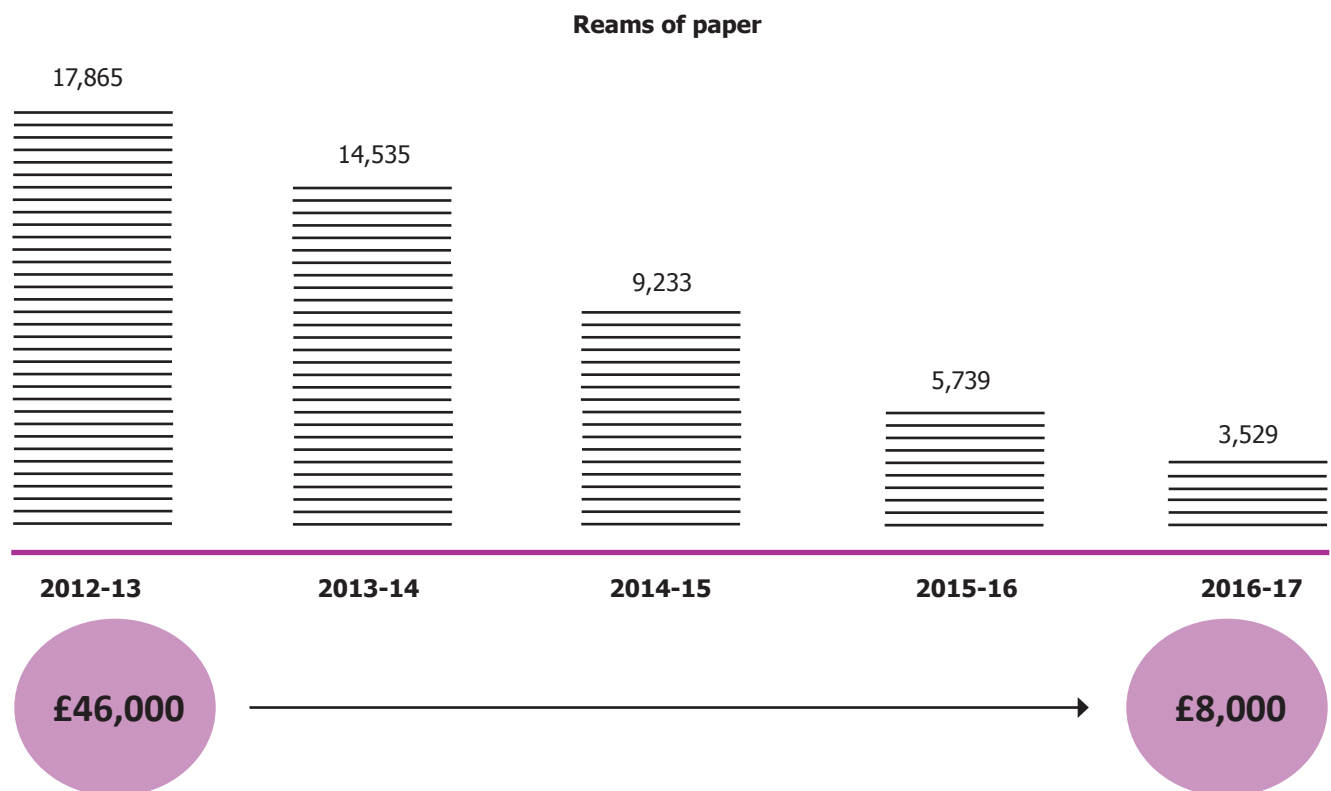
Cafcass is committed to sustainable practices which take into account our environmental, economic and social impact.

Environmental	Economic	Social
Deliver plans in line with the Greening Government Commitments (GGC).	Buy more sustainable and efficient products and contract with small businesses.	Uphold and share values of corporate social responsibility.
		

Sustainability Steering Group

We have a Sustainability Steering Group (SSG), chaired by the Director of Resources, which monitors our progress and promotes sustainable practice within Cafcass. Recent initiatives include:

- Reducing our use of paper through the provision of IT 'paperless working' training, smartphone access to casework, secure digitised post, and a new PIN-based printing service.
- Providing tools to help staff make more informed travel choices including a 'travel emissions calculator'. This calculates how energy-efficient different modes of transport are for a trip.
- Introducing a 'Food for Thought' section in the health and wellbeing newsletter to encourage staff to think food sustainability as well as nutrition, such as how far it has to travel, its amount of packaging, and its impact on local communities.



Performance against our Greening Government Commitments

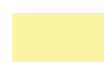
We have met, or are on track to meet, the five GGC target areas. Each target area contains specific targets; these targets, and our performance, are set out in tables below^[18]. Our overall reductions can be partly attributed to the reduction in our number of offices^[19].

Target area 1: reduce our emissions

We continue to achieve lower greenhouse gas emissions, already exceeding the 2020 target.

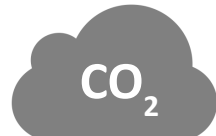
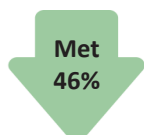
- Work to reduce travel-related emissions, and related costs, include our flexible working policy, our video conferencing enabled laptops, and our encouragement of staff to travel 'sustainably smart'. This has been complemented by our policy change in 2015-16 to limit travel to that which is business-critical and ensure it is booked in advanced wherever possible.
- An increase in domestic flights in the last two years will be targeted by the SSG to ensure reduction by the 2020 target.
- We have also introduced 'smart meters' to ensure accurate billing for utilities and our expenditure on energy has reduced.

 Target met

 Target on track to be met

*Data has been compared with 2014-15, as baseline 2009-10 data not held.



 Target not yet met



Target by 2020	Indicator	2016-17	2015-16	2014-15	Baseline (2009-10)	Target progress
Reduce greenhouse gas emissions by at least 32% 	Scope 1 and 2 emissions: site based, leased transport, and supplied energy (tonnes CO ₂ e)	508	646	653	2,298	
	Scope 3 emissions: business travel using non-owned transport (tonnes CO ₂ e)	1,208	1,290	2,067	884 ^[20]	
	Total emissions (tonnes CO ₂ e)	1,716	1,936	2,720	3,182	




[18] GGC targets are for achievements by 2020 compared to 2009-10 baseline figures. Target and trend data is therefore set out in relation to baseline figures. Where baseline figures are not held, target and trend data compares current data to 2013-14. Cafcass 2009-10 figures were calculated according to measures at our previous sponsor department, DfE. A comparison of the last three years may provide more accurate information on our progress.

[19] Number of offices: 90 (2009-10, baseline); 43 (2014-15); 40 (2015-16); 37 (2016-17).

[20] Excludes domestic air travel (data not held).

Target by 2020	Indicator	2016-17	2015-16	2014-15	Baseline (2009-10)	Target progress
Reduce energy usage 	Electricity (MWh)	804	976	1,024	3,380	
	Gas (MWh)	622	714	567	2,913	
	Total energy (MWh)	1,426	1,690	1,591	6,293	




Target by 2020	Indicator	2016-17	2015-16	2014-15	Baseline (2009-10)	Target progress
Reduce number of domestic flights by at least 30% 	Domestic air travel (number of flights)	115	73	51	Not held	

Financial indicators		2016-17	2015-16	2014-15	Baseline (2009-10)	Trend
Energy and travel costs 	Total energy (£000s)	155	166	137	338	
	Official business travel (£000s)	622	664	660	719	
	Domestic air travel (£000s)	21	7	6	Not held	
	Total travel (£000s)	643	671	666	719	




Target area 2: improve our waste management


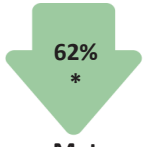
We have substantially reduced our overall waste generated, and have achieved reductions in the proportion of waste sent to landfill although this has not yet met the 2020 target. Our waste management data is currently based on some estimated figures due to diverse lease arrangements across our 37 offices^[21]. A new reporting system will be implemented next year to improve accuracy by recording data for offices for which we are directly responsible.



- Recycling is encouraged in all offices and all confidential paper waste is recycled under a national scheme. This year we surveyed existing recycling facilities to create a standard minimum provision.
- As part of our social impact practice, IT equipment that is no longer needed is disposed of ethically by donating it to schools or charities where possible.

Target by 2020	Indicator	2016-17	2015-16	2014-15	Baseline (2009-10)	Target progress
Reduce landfill proportion to under 10% of overall waste	Hazardous waste (tonnes)	0	0	0	0	
	Non-hazardous waste: landfill (tonnes)	31	33	27	44	Landfill: 46% of total waste
						Not yet met
Increase proportion of waste which is recycled	Non-hazardous waste: reused/recycled (tonnes)	36	42	34	263	
	ICT waste: recycled (tonnes)	0.5	1.2	1	Not held	Recycled proportion: 32% decrease
						Not yet met
Reduce overall waste	ICT waste: reused (tonnes)	0.3	1	1	Not held	
	Total waste (tonnes)	68	77	63	307	Total waste 78% Met

[21] The majority of our offices have third party landlord waste disposal arrangements so actual data cannot be reported on; only confidential waste recycling and IT waste is based on actual data. For this reason some figures are based on estimates and should be read with caution. Financial data is based on actual spend.



Financial indicators		2016-17	2015-16	2014-15	Baseline (2009-10)	Trend
	Waste management costs					
	Non-hazardous waste: landfill (£000s)	Not held	Not held	Not held	5	
	Non-hazardous waste: reused/recycled (£000s)	7	9	12	17	 59% £10,000 saved
	Total disposal (£000s)	22	25	19	92	 76% £70,000 saved






Target by 2020	Indicator	2016-17	2015-16	2014-15	Baseline (2009-10)	Target progress
	Reduce paper usage by at least 50%					
	Paper consumption (reams)	3,529	5,739	9,233	Not held	 62% * Met

Financial indicators		2016-17	2015-16	2014-15	Baseline (2009-10)	Trend
	Paper costs					
	Paper (£000s)	8	12	26	Not held	 69% * £18,000 saved*

Target area 3: reduce our water use

Our use of water has almost met the GGC target, and has remained steady over the last three years. National water arrangements will be explored next year following the deregulation of water companies, as this will enable greater access to water monitoring and saving initiatives.

Target by 2020	Indicator	2016-17	2015-16	2014-15	Baseline (2009-10)	Target progress
Reduce water usage to 3m ³ per FTE	Total water consumption (m3)	855	1,401	1,377	Not held	 On track
	Water consumption per FTE (m3)	3.05	3.57	3.32	Not held	

Financial indicators	2016-17	2015-16	2014-15	Baseline (2009-10)	Trend
Water costs					 £23,000 saved
Water supply and sewage (£000s)					

Target area 4: buying 'greener' products and services

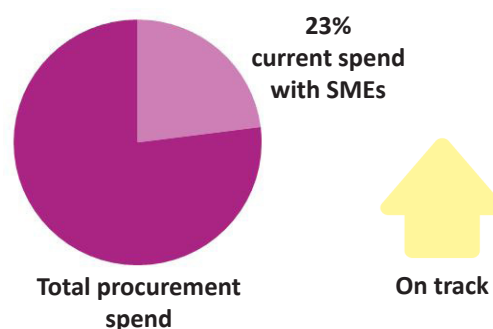
We are committed to meeting the Government Buying Standards (GBS) best practice specifications wherever possible which help deliver sustainable procurement to meet GGC targets. All common goods and services are procured by the Crown Commercial Service (CCS), which streamlines procurement processes, provides value for money and also establishes 'framework agreements' to include a sustainable products that meet the GBS mandatory levels.

Target area 5: being transparent and open

We report our sustainability data to MoJ quarterly, and an annual return is completed at the end of each financial year.

Biodiversity Action Planning is not relevant to the Cafcass estate as we do not own any open spaces; we consider climate change within the SSG.

Sustainable procurement: we are on track to meet the 2020 government target of 33% of procurement spending to reach small and medium-sized enterprises (SMEs). All our contracting requirements over £25,000 are advertised on the Contract Finder website and are open to the SME market.



Section 2



The accountability report

Corporate Governance report



This section reviews and evaluates the governance, risk and control arrangements in place in Cafcass. It also sets out how we are organised and who is responsible for managing and running Cafcass, including our Chief Executive, our Chair of the Board, members of the Board, and our Corporate and Operational Management Teams.

The Directors report

The Directors present their annual report, together with the financial statements and auditor's report^[22]. The Chair of the Cafcass Board is Baroness Claire Tyler. The Board is made up of non-executive members, listed below, who have been appointed in accordance with the Membership, Committee and Procedure Regulations 2005^[23].

- Baroness Claire Tyler (Chair)
- Mary MacLeod (Deputy Chair; Quality Committee Chair)
- John Lakin (Performance Committee Chair)
- Francis Plowden (Audit and Risk Assurance Committee Chair)
- Fay Selvan
- Stuart Smith
- Nickie Aiken
- Caroline Corby
- Deep Sagar
- Paul Grant
- Sir Mark Hedley (co-opted member, appointed January 2016)

We also have two advisors to our Quality Committee:

- Joanna Nicolas (special advisor)
- Professor Simon Hackett (academic advisor)

Register of interests

Board members have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest; [a register of interests](#) can be found on our website.

Personal data related incidents

No personal data breaches fell within the criteria for reporting to the Information Commissioner's Office (ICO)^[24] during 2016-17. Further detail on our information assurance processes is set out in the governance statement.

[22] This report uses the convention of confirming whether information is audited or non-audited in footnotes.

[23] Regulation 6 sets out eligibility to be a Board member, including the requirement that Board members are non-executive; executive staff attend Board meetings but are not Board members.

[24] The criteria for reporting to the ICO is set out within ICO guidance titled 'The notification of data security breaches to the ICO'.

The statement of Accounting Officer's responsibilities

Under the Criminal Justice and Court Services Act 2000, the Secretary of State has directed Cafcass to prepare for each financial year a Statement of Accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of Cafcass and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the *Government Financial Reporting Manual* and in particular to:

- observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the *Government Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The Principal Accounting Officer of the Ministry of Justice has appointed the Chief Executive as Accounting Officer of Cafcass. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding Cafcass' assets, are set out in *Managing Public Money* published by the HM Treasury.

As far as the Accounting Officer is aware, there is no relevant audit information of which Cafcass' auditors are unaware. He has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that Cafcass' auditors are aware of that information.

The Accounting Officer confirms that the annual report and accounts as a whole is fair, balanced and understandable. He takes personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The governance statement

Cafcass is an executive non-departmental public body (NDPB) for which I, Anthony Douglas, am the Chief Executive and the Accounting Officer. I am personally responsible and accountable to Parliament for the organisation and quality of the work carried out by Cafcass, including its use of public money and the stewardship of its assets.

There have been no material changes in our governance framework. Our governance arrangements satisfy the requirements of the main principles of the *Corporate governance in central government departments: Code of Good Practice* that are relevant to Cafcass. I consider our Governance Framework to be effective.

The Ministry of Justice

As a NDPB, Cafcass is accountable to our sponsoring department, the Ministry of Justice (MoJ). We work within the strategic objectives agreed with MoJ. We agree an annual National Business Plan with MoJ which reflects our statutory duties, our contribution to MoJ targets, and our plans to deliver efficiency targets. In 2016-17, regular meetings have been held between Cafcass and MoJ where performance against these requirements has been scrutinised. We work closely with MoJ on policy development and we contribute in agreed, defined ways to MoJ policy objectives for the family justice system.

The Cafcass Board

The Board use their expertise and experience to establish the organisation's strategic aims and objectives. Their work is supported by three main committees:

- Audit and Risk Assurance Committee (ARAC): provides assurance to the Board and Accounting Officer on audit, risk and control issues.
- Performance Committee: supports the Board in scrutinising performance against Key Performance Indicators (KPIs) and monitoring our contribution to family justice key performance measures.
- Quality Committee: supports the Board in assessing the quality of safeguarding practice and casework.

The Board met formally four times in the year and the Committees met quarterly. There is also a Remuneration Committee which is convened as and when needed; this met once during 2016-17. The following table lists our Board members and their attendance at meetings of which they are members.

The Family Justice Young People's Board (FJYPB) acts across the whole of the family justice system, and is integral to the family justice reform process. Two representatives of the FJYPB attend each Board meeting and provide an update about their work.

Meetings attended per member out of those eligible to attend				
Board member	Board	ARAC	Quality	Performance
Baroness Claire Tyler (Chair)	4 of 4	-	-	4 of 4
Mary Macleod (Deputy Chair)	4 of 4	4 of 5	4 of 4	-
John Lakin	4 of 4	4 of 5	-	4 of 4
Fay Selvan	4 of 4	-	3 of 4	-
Stuart Smith	4 of 4	-	2 of 4	3 of 4
Francis Plowden	4 of 4	5 of 5	-	-
Nickie Aiken	3 of 4	-	-	2 of 4
Caroline Corby	3 of 4	5 of 5	4 of 4	-
Deep Sagar	4 of 4	5 of 5	4 of 4	-
Paul Grant	4 of 4	-	3 of 4	3 of 4
Sir Mark Hedley (co-opted member)	2 of 4	-	-	-
Advisor to Quality Committee				
Joanna Nicolas	-	-	4 of 4	-
Professor Simon Hackett	-	-	3 of 4	-

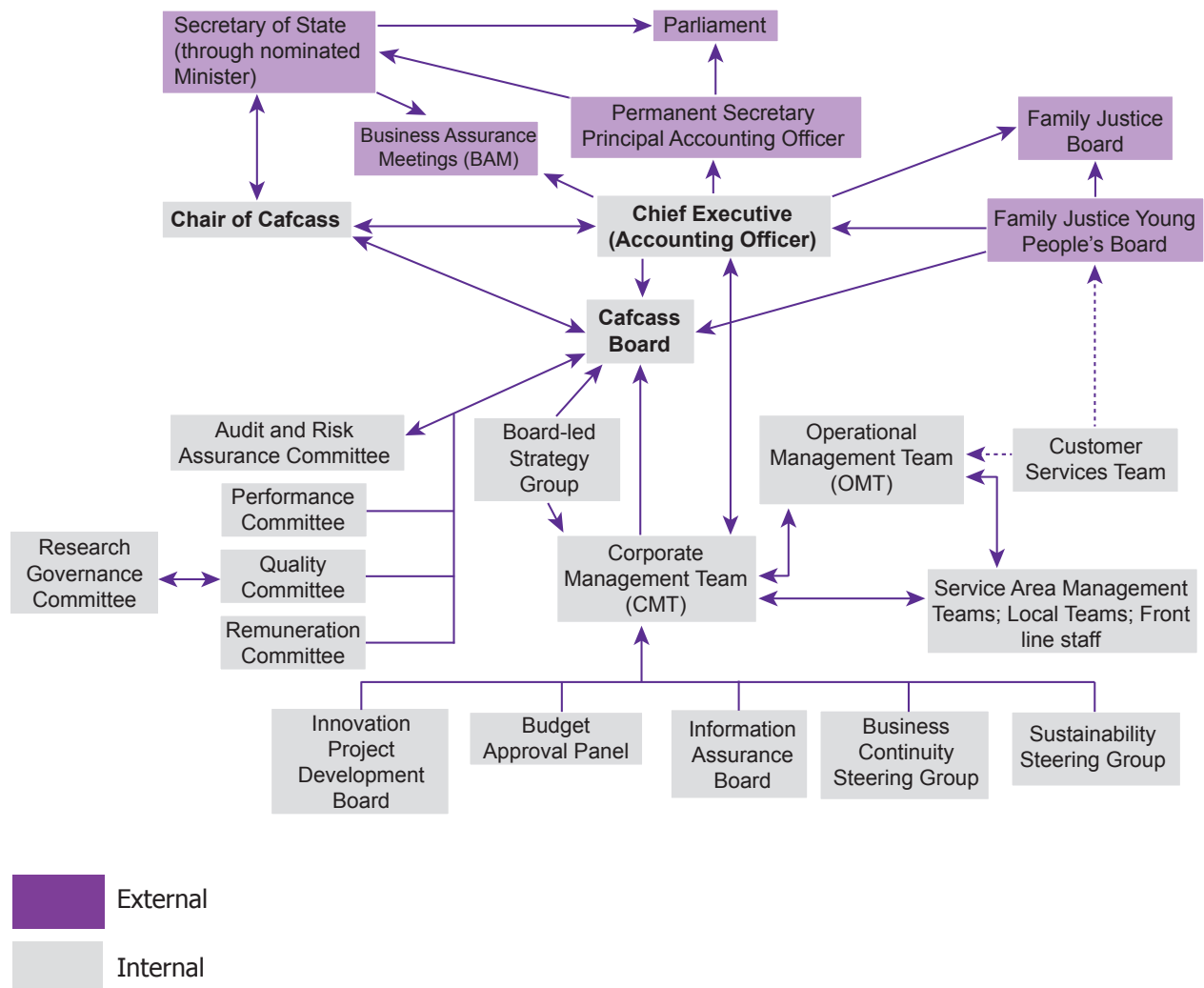
Internal management structure

I am currently supported by three Directors, who make up the Corporate Management Team (CMT): the Director of Strategy, the Director of Resources and the National Service Director. CMT meets weekly and collectively we lead and manage the organisation.

The Operational Management Team (OMT) is led by the National Service Director. Its membership is made up of the Assistant Directors, operational Heads of Practice, and staff from teams which directly support operational services including Finance, Human Resources and Business Analysis. OMT meets monthly to manage performance across the country.

Service Area Meetings take place locally every month in each service area to translate the corporate and operational agenda into local actions. Local team meetings complete this cascade structure and process, which includes the learning both from mistakes and from best practice.

We have internal boards and groups which are managed by members of the CMT to ensure that we keep abreast of regulations and requirements in line with good governance principles: an Innovation Project Development Board, a Board Strategy Group, an Information Assurance Board, a Business Continuity Steering Group, a Budget Approval Panel, and a Sustainability Steering Group.



The Board's performance

The membership of the Board has been consistent during the year. During 2016-17 the Board has continued to govern and perform well. As well as the Chair conducting regular catch-ups with members on performance, we repeated the Board effectiveness review. This was conducted by an external provider, as an additional form of assurance. The results show that the Board is adding value and providing strong leadership.

I am confident that the quality of the data used by the Board is robust. All reports prior to submission to the Board are subject to stringent quality assurance processes by senior managers. The effectiveness of the systems that generate the financial and performance data contained within the reports is evidenced through positive internal audit and inspection results. None of these results this year, or in the previous year, were of a low or inadequate opinion^[25]. We aim to keep reports clear, concise and focused on the purpose of the Board's reviewing. An example of this is our Performance Dashboard, which provides an overall high level position and assessment of our performance against our strategic objectives and risks and is aligned with the corporate work programme which drives the actions needed to meet our objectives.

Assurance arrangements

The Audit and Risk Assurance Committee (ARAC) has oversight of the organisation's governance, risk and internal control frameworks. It receives reports on matters of assurance and oversees the preparation and publication of the financial statements each year.

The ARAC oversees the internal audit programme work and delivery arrangements. The Head of Internal Audit role and internal audit programme were provided through MoJ Internal Audit Shared Service until 30th September 2016, at which point the service was transferred to the Government Internal Audit Agency, who remain our Internal Auditors.

Internal audit

The planned programme of audit work was met during the year which included five final audit reports, three rated Moderate^[26] and two rated Substantial^[27]. Cafcass was given an overall assurance of Moderate.

Rating	Audit
Substantial	Health and Safety, August 2016
Moderate	Area Quality Reviews, November 2016
Moderate	Health and Wellbeing Benefits Scheme, November 2016
Moderate	Complaints and Compliments, March 2017
Substantial	National Business Centre – Call Centre, April 2017

Strategic and business plans

We maintain a strategic plan which sets out the priorities for the organisation. We have a dashboard for the national business plan and strategic plan which tracks and reports on the performance of relevant activities. This is updated quarterly and monitored by the CMT and the Cafcass Board. The strategic plan remains in force for the next financial year. CMT conducts a review of key work priorities for the coming year and these are shared with the Board at their planning day in April each year.

[25] This means that none of the areas reviewed by the internal auditors was found to have a control framework of low or inadequate design or operation.

[26] 'Moderate' rating definition: some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

[27] 'Substantial' rating definition: the framework of governance, risk management and control is adequate and effective.

Business continuity planning

Business continuity planning creates resilience within our processes and tools (such as IT systems) so that we can continue to deliver our service effectively during unexpected disruptive events. Each Cafcass site has a continuity plan in place. Our Business Continuity Steering Group and Incident Management Team support this work. A test of continuity planning was successfully carried out in the National Business Centre during 2016-17.

Risk management and profile

Our risk management policy sets out our approach to risk management and clearly outlines our responsibilities in the management of risk throughout the organisational structure, including how risk is escalated.

Our strategic risks are captured in a risk register which is reviewed at every meeting of the ARAC, the lead Board Committee (Quality or Performance) and quarterly by the Board. Our register identifies the risks to the achievement of our strategic priorities and objectives, and the mitigations are categorised using a three-line of defence model; operational controls, management monitoring, and independent assurance. In addition, this year we have introduced a separate risk assessment of the wider environment in which we work, to provide more transparency around our understanding and management of risks outside the organisation, which do or could impact on our work.

During the year, we identified a number of noteworthy areas within our strategic risk profile:

- The in-year funding situation was again considered manageable and the reduction in spending during the year was made without service detriment. Funding for subsequent years remains an area of risk as the level of demand continues to place pressure on the service, driving a need for more resources if quality and performance are not to be compromised.
- Our assessment of the risk to maintaining quality of casework was increased during the year, in acknowledgment of the continual increase in demand and the consequent increase in individual workloads.
- The assessment of residual risk relating to demand was retained at Amber to acknowledge the rising demand in both public and private law applications and the uncertainty of the duration of the continual rise.
- We introduced a separate risk relating to workforce capacity where previously we had a broader strategic risk around workforce generally, given that a talented and engaged workforce of sufficient size and stability is absolutely critical to service delivery. While we believe the engagement of the workforce is still strong, the overall capacity is significantly stretched.

Information assurance

Our position statement on Cafcass' information assurance arrangements is as follows:

- The National Child Care Policy Manager remains the Senior Information Risk Owner (SIRO) for Cafcass and is supported in this role by the Information Assurance Officer and IT Operations Manager.
- The quarterly Information Assurance Board (IAB) meetings have in attendance Cafcass' business area Information Asset Owners, who regularly assess any information management associated risks. The IAB also discusses the log of data breaches and monitors any changes in the nature of breaches.
- An annual data breach report is presented to ARAC for further scrutiny and oversight.
- Information stored electronically, which involves all current case information, is considered to be appropriately secure as we maintain compliance with recommended government security levels. This is audited independently and all electronic devices are encrypted.
- We continue to use Egress Switch which allows personal data to be sent securely via email to service users and external agencies.

- We continue to promote awareness and good practice through regular news items and training. Completion rates of our previous training package, the Cabinet Office's 'Responsible for Information', have been maintained at 90%. A new Cafcass-specific training package was launched in September 2016, based on our policies and processes.
- We report our position annually in relation to the Security Policy Framework and planned future work to the Cabinet Office via MoJ. We continue to self-assess at a high level of assurance.

As set out above, no personal data breaches fell within the criteria for reporting to the Information Commissioner's Office (ICO)^[28]. However, all incidents are taken seriously, recorded, and responded to. There were 236 data breaches in 2016-17. This reflects incidents in a very small proportion of cases: 0.4% of cases received 2016-17 (and a far smaller percentage of total communications).

This is an increase in number compared with the previous year (156 in total), although this increase may in part reflect the fact that Cafcass processed thousands more cases this year compared with previous years^[29], which necessarily involved an increase in Cafcass' overall case correspondence.

The majority of data breaches (82%) involve paper correspondence being delivered to a wrong address. We continue to take steps to automate and digitise correspondence where possible so that manual error is reduced. Updates include:

- automated email verification processes to increase email contacts held
- automated 'workflow' processes to send electronic correspondence directly from the case management system
- a new printer service which enforces PIN use for printing, to reduce the risk of mixing paper documents which relate to different cases.

Summary of other protected personal data related incidents in 2016-17

Data breaches reported internally according to Cabinet Office guidance, none of which fall within the criteria for reporting to the Information Commissioner's Office

Category	Nature of incident	Total
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises	0
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Cafcass premises	14
III	Insecure disposal of inadequately protected electronic equipment devices or paper documents	0
IV	Unauthorised disclosure ^[30]	219
V	Other	3

Overall conclusions

I consider that our governance framework is operating effectively and is proportionate to the risks and challenges facing us. Our focus is squarely on supporting the frontline service which continues to operate under significant demand pressure. So assuring the safety and quality of work for all cases referred to us through the careful balancing of resource and demand management is paramount. This in turn places pressure on supporting functions as key enablers of service delivery so we continue to prioritise work to make best use of our contracts, technology and estates. There will never be the level of resources available to us that would make the work we do risk free and I would question whether that would be a good use of resource. But I do consider we have the right governance framework for us, and one which I will always keep under review.

[28] The criteria for reporting to the ICO is set out within ICO guidance titled 'the notification of data security breaches to the ICO'.

[29] In 2016-17 Cafcass received 40,824 new private law cases which represents a 9.1% increase compared with the previous year; 14,554 new care cases which represents a 13.8% increase compared with the previous year.

[30] 'Unauthorised disclosures' are instances where personal data has been disclosed in error to the wrong person, but which has been recovered or securely destroyed in order to limit the impact of the breach.

Section 2.1

The accountability report

Remuneration and staff report



This section sets out the pay and benefits received by Cafcass Directors and Board members, our pay and pensions policies, details of staff numbers and costs, and our policies supporting staff, including equality and diversity commitments.

Remuneration policy

The remuneration for Cafcass Directors is recommended by a Remuneration Committee made up of three Cafcass Board members: the Chair, the Deputy Chair and the Chair of the Audit and Risk Assurance Committee (ARAC). MoJ reviews the Remuneration Committee's proposals and also approves annual pay reviews and performance-related payments for the Chief Executive. Cafcass salaries are established by considering factors such as relevant external comparator pay levels, internal relativities, affordability, recruitment and retention risks, and political sensitivity. There is no planned change to this policy for the 2017-18 financial year.

The remuneration for Cafcass Board members is determined by MoJ.

Service contracts

Cafcass' appointments of Directors are made in accordance with the Cafcass Recruitment and Retention Policy. This policy recognises that in order to provide a high-quality service to the children and families that we serve, it is vital that we recruit and retain people through fair and open competition who share our aims and values, and have the requisite skills and abilities to perform to a consistently high standard.

Unless otherwise stated, staff covered by this report hold appointments that are open-ended. Members of Cafcass' Corporate Management Team (CMT) are required to provide four or six months' notice to terminate their contract. Early termination by Cafcass, other than for gross misconduct, would result in the individual receiving compensation by way of payment in lieu of notice, as set out in the individual contract of employment. No such payments were made to senior executives during the year.

Cafcass Board members are appointed by MoJ according to the Children and Family Court Advisory and Support Service (Membership, Committee and Procedure) Regulations 2005, which sets out all terms of appointment except remuneration which is determined by the Secretary of State. Board members are statutory office holders and, as such, do not hold a contract of employment. Cafcass Board members are appointed on one, two or three-year terms.

Remuneration of Cafcass Board members and senior management

Remuneration includes gross salary, bonus payments (up to 10% performance-related pay applicable to some CMT members), benefits in kind, and pension benefits (employer's pension contributions). More detail on these is set out below the remuneration tables.

Single total figure of remuneration for Cafcass Board members										
Board members	Salary (£000)		Bonus payments (£000)		Benefits in kind (to nearest £100)		Pension benefits (£000) ^[31]		Total (£000)	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Baroness Claire Tyler of Enfield (Chair)	35-40	35-40	-	-	-	-	-	-	35-40	35-40
Mary MacLeod (Deputy Chair) OBE	5-10	5-10	-	-	-	100	-	-	5-10	5-10
Kamaljit Kaur-Singh (until 30th June 2015)	-	0-5	-	-	-	-	-	-	-	0-5
Honor Rhodes OBE (until 30th June 2015)	-	0-5	-	-	-	-	-	-	-	0-5
John Lakin	5-10	5-10	-	-	1,900	500	-	-	10-15	10-15
Francis Plowden	5-10	5-10	-	-	-	-	-	-	5-10	5-10
Fay Selvan	5-10	5-10	-	-	1,200	500	-	-	10-15	10-15
Stuart Smith	5-10	5-10	-	-	1,000	600	-	-	10-15	10-15
Geoffrey Bush CB DL (until 31st July 2015)	-	0-5	-	-	-	100	-	-	-	0-5
Nickie Aiken	5-10	5-10	-	-	-	-	-	-	5-10	5-10
Caroline Corby	5-10	5-10	-	-	-	-	-	-	5-10	5-10
Paul Grant	5-10	5-10	-	-	1,300	500	-	-	10-15	10-15
Deep Sagar	5-10	5-10	-	-	500	300	-	-	5-10	5-10
Sir Mark Hedley (from January 2016)	0-5	-	-	-	100	-	-	-	0-5	-

[31] The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

Single total figure of remuneration for Directors ^[32]										
Directors	Salary (£000)		Bonus payments (£000)		Benefits in kind (to nearest £100)		Pension benefits (£000) ^[33]		Total (£000)	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Anthony Douglas CBE, Chief Executive	160-165	160-165	-	-	-	-	-	-	160-165	160-165
Julie Brown, Director of Resources	125-130	125-130	10-15 ^[34]	10-15 ^[35]	-	-	39	35	170-175	170-175
Christine Banim, National Service Director	110-115	105-110	5-10 ^[34]	10-15 ^[35]	-	-	-	-	115-120	120-125
Helen Watson, Director of Strategy (joined on 1st September 2015)	125-130	70-75	-	-	-	-	37	22	160-165	90-95
Payments to past Directors^[36]										
Jabbar Sardar, Director of HR & OD (left post 31st December 2015)	-	105-110	-	10-15 ^[37]	-	-	-	30	-	150-155
Bruce Clark, Former Director of Policy (left Directorate post 31st May 2013)	-	15-20 ^[38]	-	-	-	-	-	-	-	15-20

Salary

'Salary' includes: basic salary, London Weighting, honorarium, overtime, market supplement (discretionary payment for some posts to aid retention and recruitment), buy-back of untaken annual leave, and Pay in Lieu of Notice (PILON).

Bonus payments (performance-related pay)

Performance-related pay (PRP) is based on performance in the year. Targets are set annually and based on overall performance towards the achievements of the Business Plan objectives (stated below). Threshold performance would result in a PRP payment of no more than 10% of basic salary. Performance below threshold would result in no payment being paid.

PRP awards for Cafcass staff are determined by the Chief Executive and must be endorsed by the Remuneration Committee. PRP for the Chief Executive is determined by the Remuneration Committee and MoJ.

The strategic objectives that are relevant for PRP consideration are to:

- show continuous improvement in our performance and in the quality of our work;
- innovate and reform in public and private law, so as to use our resources to best effect;
- develop an evidence base that analyses the diversity related needs of service users and in turn briefs and trains our staff to respond to these changes;
- continue delivering savings packages required by innovating throughout all front and back office functions and across organisational boundaries;
- use our unique position and insight to generate high impact and timely research to inform our own practice and influence that across the family justice system.

[32] This information has been audited.

[33] The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

[34] Related to performance in 2015-16 financial year but paid in 2016-17 following sponsor department approval.

[35] Related to performance in 2014-15 financial year but paid in 2015-16 following sponsor department approval.

[36] This information has been audited.

[37] Related to performance in 2014-15 but paid in 2015-16 following sponsor department approval.

[38] Payments in relation to commissioned work as hourly paid senior manager.

Benefits in kind

The monetary value of benefits in kind covers any non-cash benefits provided by Cafcass and treated by HM Revenue and Customs as a taxable emolument. Board members' travel costs to the Cafcass National Office are reimbursed to them, which acts as a benefit in kind.

Pension benefits

This sets out the value of pension benefits accrued during the year which were paid by Cafcass as employer's contributions. The contribution rate from April 2016 is 15.8%.

Pension entitlements for Directors

Pension benefits are provided by the West Yorkshire Pension Fund (WYPF), to which Cafcass makes employer's contributions. Further information on the Cafcass pension schemes can be found in notes 1(f) and 22 in the Accounts and pages 52 and 59.

The accrued pension at age 60 is the pension earned that the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age.

Cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme (or arrangement) when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

The pension figures shown relate to the benefits that individuals have accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figure includes the value of any pension benefit in another scheme or arrangement which the individual has transferred to the pension provider and for which the pension provider has received a transfer payment commensurate to the additional pension liabilities being assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing of additional years of pension service in the scheme at their own cost.

The real increase in CETV effectively funded by the employer excludes increases due to inflation and contributions paid by the Director (including the value of any benefits transferred from another pension scheme or arrangement). It uses common market valuation factors for the start and the end of the period.

	1	2	3	4	5	6	
	Salary 2016-17 (performance pay) (£000)	Salary 2015-16 (performance pay) (£000)	Real increase in pension and related lump sum at age 60 (£000)	Total accrued pension at age 60 at 31st March 2016 and related lump sum (£000)	CETV at 31st March 2017 (£000) ^[39]	CETV at 31st March 2016 (£000) ^[40]	Real increase in CETV after adjustment for inflation and changes in market investment factors (nearest £000) ^[41]
Anthony Douglas CBE, Chief Executive	160-165 (0)	160-165 (0)	-	-	-	-	-
Julie Brown, Director of Resources	125-130 (10-15)	125-130 (10-15)	2.5-5	0-5	229	187	40
Christine Banim, National Service Director	140-145 (10-15) ^[42]	135-140 (10-15) ^[43]	-	-	-	-	-
Helen Watson, Director of Strategy (joined on 1st September 2015)	125-130 (0)	125-130 ^[44] (0)	45-47.5	90-95	863	17	846

Compensation on early retirement or for loss of office

No senior managers received compensatory payments in 2016-17^[45].

Fair pay disclosure

This shows the relationship between the remuneration of the highest-paid Director in the organisation and the median remuneration of the organisation's workforce^[46]. This is based on full-time equivalent salaries and includes agency staff.

Top to median staff pay multiple ratio

	2016-17	2015-16
Highest earner's total banded remuneration (£000)	160-165	160-165
Median total remuneration	£41,085	£40,719
Ratio	1:3.97	1:3.99

[39] This information has been audited.

[40] This information has been audited.

[41] This information has been audited.

[42] This is full-time equivalent salary. Actual salary is £110,000-115,000.

[43] This is full-time equivalent salary. Actual salary was £105,000-£110,000.

[44] This is full-time equivalent salary. Actual salary was £70,000-£75,000.

[45] This information has been audited.

[46] This information has been audited.

In 2016-17, nil (2015-16, nil) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £10,000 to £165,000 (2015-16, £10,000 to £165,000).

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions or the CETV of pensions.

Staff report

Number of Senior Civil Service equivalent staff

Cafcass has 34 staff who are the equivalent of Senior Civil Servants (SCS): 23 members of the Operational Management Team and 11 senior managers in corporate teams (this excludes Directors, whose remuneration has been set out above).

Salary band	Number of SCS equivalent within band as at 31st March 2017
£60,000-£70,000	16
£70,000-£80,000	2
£80,000-£90,000	5
£90,000-£100,000	11
Total	34

Staff numbers and costs

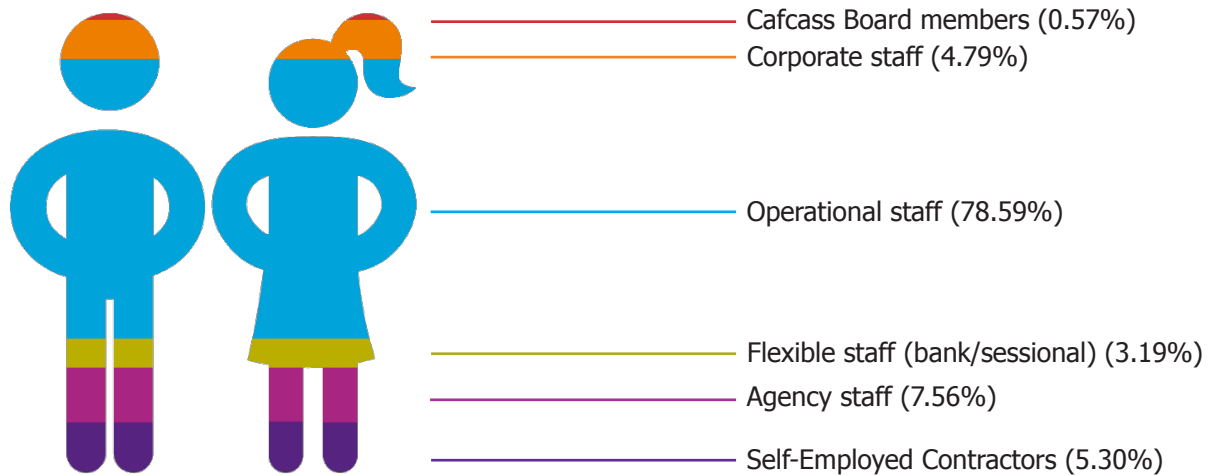
Cafcass staff members are subject to levels of remuneration and terms and conditions of service (including superannuation) within the general pay structure approved by MoJ.

An analysis of staff numbers and costs is set out below, distinguishing between staff with permanent contracts, and staff who are flexible, agency, and Self-Employed Contractors. All staff numbers are presented on an actual basis^[47] as at the reporting date (31st March 2017) and reflect headcount; staff costs are presented on total cost during the reporting period (April 2016 – March 2017)^[48].

Staff numbers (31st March 2017)			
	Social worker	Other	Total
Cafcass Board member	-	11	11
Corporate staff	-	93	93
Operational staff	1,254	273	1,527
Flexible staff (bank/sessional)	62	-	62
Agency staff	107	40	147
Self-Employed Contractors	103	-	103

[47] The figures show staff numbers based on headcount, not full-time equivalent (FTE).

[48] Staff costs information is audited. Spend based on full International Reporting Financial Standards (IRFS) stated cost, further information on which is set out in Section 3 Accounts 2016-17.



Staff costs (2016-17 ^[49])				
	Cafcass Board members (£000)	Corporate staff (£000)	Operational staff (£000)	Total (£000)
Salaries and wages	128	5,113	55,224	60,465
Social security costs	7	550	5,929	6,486
Other pension cost	0	4,331	8,462	12,793
Past pension service cost	0	12	112	124
Total payroll cost	135	10,006	69,727	79,868
Agency social worker costs	0	0	6,297	6,297
Other agency staff costs	0	51	1,072	1,123
Self-Employed Contractors costs ^[50]	0	0	2,507	2,507
Inward secondees costs	0	0	0	0
Total staff costs	135	10,057	79,603	89,795

Staff composition^[51]

Staff	Female	Male	BME ^[52]	Disability
Directors	3	1	0	0
Senior Civil Service equivalent (excluding Directors) ^[53]	19 (55.9%)	15 (44.1%)	3 (8.8%)	1 (2.9%)
Other Cafcass staff	1,347 (81.9%)	297 (18.1%)	210 (12.8%)	121 (7.4%)
Total staff	1,369 (81.4%)	313 (18.6%)	213 (12.7%)	122 (7.3%)

[49] This information has been audited. Spend based on full International Reporting Financial Standards (IRFS) stated cost, further information on which is set out in Section 3 Accounts 2016-17.

[50] Self-Employed Contractors are ordinarily responsible for meeting travel, office and all other expenses related to their work, as well as related tax and national insurance liabilities.

[51] These figures are as self-reported by employed staff only; figures are not held for all employed staff as they may choose not to disclose the information.

[52] Black and Minority Ethnic.

[53] 23 members of the Operational Management Team and 11 senior managers in corporate teams.

Sickness absence data

The overall average number of working days lost due to sickness (AWDL) per staff member is set out below. There was an increase due to a number of long-term serious and complex absence cases. Significant improvements took place between January to March, with the average across that period more in line with previous years.

	2016-17	2015-16	2014-15	2013-14	2012-13
Social workers AWDL (excluding leavers)	10.6 (9.0)	7.6 (6.7)	8.9 (7.6)	7.3 (6.1)	7.4 (5.8)
Non-social workers AWDL (excluding leavers)	8.1 (7.1)	7.1 (6.2)	8.8 (6.4)	6.1 (5.7)	5.7 (4.8)
Overall AWDL (excluding leavers)	10.0 (8.6)	7.5 (6.6)	8.8 (7.3)	7.0 (6.0)	7.0 (5.6)

Cafcass continues to fully support staff in respect of both their physical and mental health and wellbeing, through a range of resources and immediate intervention strategies designed to prevent sickness absence and facilitate a return to work as quickly as possible when absence does occur. Central to our approach is timely and proactive absence management, delivered by managers at the local team level working in close partnership with HR, as well as bespoke and tailored interventions on a team and individual level based on the prevalent causes of absence.

Staff policies

Cafcass has a range of policies and key strategies to ensure that we can effectively support managers and staff on a range of issues from employee relations, change management, workforce planning, health, wellbeing, and engagement.

Equality and Diversity

Cafcass is an Equal Opportunities Employer and provides all job applicants and existing employees with equal opportunity regardless of their ethnicity, background or situation. We monitor our recruitment and selection processes in accordance with legislative requirements and best practice.

Our Equality and Diversity Strategy 2013-16 sets out our commitment to workforce diversity and to supporting our staff where reasonable adjustments are required. Cafcass ensures that all training programmes and materials are fully accessible.

A new Diversity and Inclusion Strategy for 2017-20 is being developed, which will further evidence our commitment to strengthening and deepening the focus on issues of diversity, inclusion and equality, particularly in respect of frontline service delivery and workforce learning and development, with a focus on impact and better outcomes for children.

Recruitment and retention

We have a Recruitment and Retention Policy which sets out how we aim to achieve best practice and ensure that Cafcass employs and retains a highly skilled, credible and motivated workforce.

In 2016-17:

- We won a Recruitment and Retention award (Excellence in People Management awards).
- We have undertaken significant work to develop our approach to resourcing, enhancing our end-to-end recruitment processes from advertising and candidate attraction through to assessment and selection, in order to ensure that we are able to deliver the capacity to meet increased demand for our services.
- There has been a renewed focus on the detailed forward recruitment planning, between HR and operational recruiting managers, to minimise delay in resourcing and ensure that there is minimal time lag between leavers and new starters. This has also involved the implementation of online and automated methods to speed up pre-employment checking requirements in order to minimise sources of potentially significant delay in the recruitment process.
- Work commenced on the development of high-end video content to support our resourcing and workforce development strategies, promoting Cafcass as an employer of choice and what we can offer high-performing social workers.

Workforce development

Our Workforce Strategy sets out our approach to improve capacity to maintain quality of work and meet rising demand for services. All staff are provided with a range of comprehensive learning and development resources, including use of IT equipment, that are designed to improve the performance of individuals and teams, and promote a continued focus on more efficient ways of working. Our workforce development programmes include distinct Leadership and Management Development Programmes and Talent Management.

In 2016-17:

- We updated Performance and Learning Reviews (PLRs) for managers and Practice Supervisors through the roll-out of 360° feedback. This allows colleagues to provide constructive feedback on an individual's role. The final report is used within the learning and development discussion of an individual's PLR.
- Staff are better informed on performance measures, as we have focused on providing more up-to-date and accessible information. MyWork, our online individual performance dashboard which also shows local and national averages, has been redeveloped resulting in a quicker and more user-friendly interface, with daily updated information. This helps staff self-regulate, and is used by managers within PLRs. Managers also have a new single click tool to check compliance against PLRs and use of Quality Assurance and Impact (QAI) tools, and new allocation tools to better see staff availability and capacity.
- We delivered 28 Management Development workshops to 207 attendees. Feedback from the sessions were positive. 98% felt the training was worth their time, and 77% rated it 'very useful' or 'extremely useful'.
- We continued to support the long-term development of high-performing staff through our Emerging Talent Programme; 40 new participants are now on the programme, with 185 total participants. Participants report experiencing a boost in confidence and an increased awareness of their strengths and how to enhance these, and they continue to outperform national averages on most MyWork measures. There is an overall promotion rate of 34% among participants compared with the national figure of 8%.

An Emerging Talent participant: "The programme has been very effective. The management development modules have really helped and being on the programme has given me the confidence in progressing through recognition of my achievements by Cafcass."

Health, safety and wellbeing

We work with managers to ensure that working environments are safe, workloads are manageable and that staff are equipped and supported to carry out their roles. Our Employee Wellbeing Strategy outlines our vision and approach to health and wellbeing at Cafcass. We are committed to creating an environment that enables staff to feel engaged, motivated, and able to provide the best service possible to the children and families we work with.

In 2016-17:

- We are actively promoting learning around mental health and have signed both the 'Time to Change Pledge' and 'Mindful Employer Charter'. We have identified a network of voluntary 'Time to Change' champions to support staff with mental health related issues, and have begun training for a number of staff to become qualified Mental Health First Aiders.
- We delivered 47 health and wellbeing sessions to 615 staff members on a range of topics including nutrition, posture and movement, stress management and mental health. 92% rated the activity as excellent and half went on to access additional resources such as 1:1 appointments with our Health and Wellbeing Officers or treatments via our Health and Wellbeing plan (provided by Medicash). We continue to promote healthy lifestyles through our 'cycle to work' scheme, a monthly newsletter and health and wellbeing office champions.

A Service Manager on a mental health session at a development day in A7 (Avon, Gloucestershire and Wiltshire): "It was thought-provoking and powerful to hear the talk about mental health particularly the relevant information and useful strategies that practitioners can apply in their demanding roles as Family Court Advisers (FCAs) - we have had positive feedback from our FCAs who feel that the day has had a significant impact on them."

- We reviewed our Health and Safety policies and have consolidated policy and guidance relating to risk to staff from violence, aggression and harassment into three key documents, with supporting eLearning courses, to ensure up-to-date guidance for managers on how they can and should support staff following threatening or abusive behaviour. These are (1) Health and Safety Policy Arrangement: managing violence, aggression, harassment and promoting personal safety; (2) Managing Unacceptable Behaviour guidance; (3) Risk assessment: threats to and intimidation of staff.

Staff engagement

An engaged workforce is critical to maintaining a high quality, timely service to children and families. A range of policies and initiatives have contributed to staff engagement. These include strong management and leadership training and development, clear corporate communications, enhancing feedback mechanisms for staff to contribute their views and a focus on wellbeing nationally and locally, at a team and individual level. The quarterly PLR continues to provide an effective way for staff and their manager to discuss how it feels to work for Cafcass and look at ways to create the right conditions to maximise individual potential.

We have a clear structure to share organisational updates to all staff through team meetings. We also have a monthly newsletter 'Channel C' and news updates on the home page of the staff intranet.

In 2016-17:

- Our national fundraising effort for Children in Need, the 'Caflon', saw 595 people (including staff and their friends and family members) take part in 35 events across 17 different service areas. This was a 65% increase in participation compared with the previous year. We raised £3,371 (including Gift Aid).

Expenditure on consultancy

Cafcass incurred no costs for consultancy across 2016-17.

Off-payroll engagements

Cafcass conducts an annual review of the tax arrangements of all its off-payroll appointments^[54]. All contractors within the scope of this exercise are required to provide evidence of tax compliance. There have been no known instances of non-tax compliant off-payroll engagements (brought to the attention of the organisation) as at 31st March 2017. Further details of off-payroll engagements can be found in MoJ consolidated accounts.

Exit packages

A summary of exit packages for employed staff through compensation schemes is set out below. No early exits occurred in 2016-17.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Less than £10,000	0	38	0	0	0	38
£10,000-£25,000	0	7	0	0	0	7
£25,000-£50,000	0	0	0	0	0	0
£50,000-£100,000	0	0	0	0	0	0
£100,000-£150,000	0	0	0	1	0	1
£150,000-£200,000	0	0	0	0	0	0
Total number of exit packages by type	0^[55]	45	0	1	0	46
Total resource cost (£000)	0	249	0	161	0	410

Pension costs

Cafcass participates in the West Yorkshire Pension Fund (WYPF) scheme and the Principal Civil Service Pension Scheme (PCSPS). The WYPF scheme is a multi-employer defined benefit scheme in which Cafcass' share of the underlying assets and liabilities are identified.

The current contribution rate was previously determined by the independent fund actuaries, Aon Hewitt Limited, at the time of the 2013 revaluation. The contribution rate for 2016-17 is 15.8%. The contribution rate is based on a combination of future service and the effects of past service deficits and ill-health retirements. Employer's contributions to the scheme for the year to March 2017 amounted to £12.590m (costs relating to the voluntary early retirement programme were nil) with 1,770 employees participating in the scheme (2015-16: employer's contributions: £12.864m, voluntary early retirement: £0.038m, participating employees 1,780).

[54] 'Payroll' includes employed staff, bank and sessional workers; 'off-payroll' includes agency staff and Self-Employed Contractors.

[55] As at March 2017 there were no early exits. However a cost of £0.070m was incurred during the 2016-17 financial year which relates to the 2015-16 early exits. The accrued 2015-16 early exit severances were calculated based on an average of 26 early exits at a cost of £0.410m. Following deployment and actual exits, the final number of early exits was 18, with actual payment of £0.480m.

The last independent actuarial valuation of the WYPF scheme was on 31st March 2016 and revealed that the scheme was 87% funded in relation to past service. The valuation is based on assets and liabilities at 31st March 2016. Following the actuarial valuation, the revised employer contribution rates for Cafcass have been set as follows:

	Contribution rate %	Additional cash contribution
Year 2017-18	16.2%	£3.1268m
Year 2018-19	16.2%	£3.2284m
Year 2019-20	16.2%	£3.3333m

The PCSPS is an unfunded multi-employer defined benefit scheme for which Cafcass is unable to identify its share of the underlying assets and liabilities. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. A full actuarial valuation was carried out as at 31st March 2012 and revised contribution rates applied from 1st April 2015. Full details can be found at www.civilservice.gov.uk/pensions.

For 2016-17, employer's contributions of £0.042m (2015-16: £0.052m) were payable to the PCSPS at 22.10% of pensionable pay, based on salary bands.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred and reflect past experience of the scheme.

Section 2.2

The accountability report

Parliamentary Accountability and Audit report



This section shows how we have spent the money provided to us by Parliament. It also shows that our annual report and accounts have been audited.

Our accounts

The Statement of Accounts of Cafcass for the year ending 31st March 2017 has been prepared in a form directed by the Secretary of State with the consent of the Treasury, in accordance with the Accounts Direction dated 12th April 2002 given under Schedule 2, paragraph 13(2) of the Criminal Justice and Court Services Act 2000.

The Accounts are audited by the Comptroller and Auditor General, who is appointed by statute. The audit fee is £52,500 for 2016-17 (£55,000 2015-16). There have been no non-audit services during 2016-17.

Financial commentary on how we spent our budget is set out in Section 1.1.

Treatment of pension liabilities

Employees of Cafcass are members of the West Yorkshire Pension Fund (WYPF), which is funded on a pay-as-you-go basis. A small number of Cafcass staff retained membership of the Principal Civil Service Pension Scheme (PCSPS) by virtue of their earlier employment with one of Cafcass' predecessor organisations.

The amount charged to the staff costs for the PCSPS represents the contributions payable to the scheme in respect of current employees in the accounting period. Contributions are charged on a year-by-year basis in accordance with the requirements of the scheme administrators.

The assets of the WYPF, which is a defined benefit scheme, are held separately from those of Cafcass. The scheme assets are measured at realisable value. Scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is considered recoverable) or deficit is recognised in full on the face of the Statement of Financial Position. The movement in the scheme surplus/deficit is split between operating charges (within staff costs) and reserves in the case of actuarial gains and losses. Net interest receivable on pension scheme assets is shown in operating cash flows.

Long-term liabilities

There have been no significant changes in the organisation's long-term liabilities.

Remote contingent liabilities^[56]

There are no remote contingent liabilities.

Long-term expenditure trends

There have been no significant changes in the organisation's long-term expenditure trends.

Regularity of expenditure: losses and special payments^[57]

	2016-17		2015-16	
	£000	Number of cases	£000	Number of cases
Losses statement				
Administrative write-offs	5	3	2	3
Fruitless payments	71	28	46	47
Total value of losses	76	31	48	50
Special payments				
Compensation payments	35	2	5	1
Total special payments	35	2	5	1
Total losses and special payments	111	33	53	51

There were £0.111m of losses and special payments charged to the Accounts as at 31st March 2017 (2015-16: £0.053m). The actual cash amount paid in the period was £0.478m (2015-16: £0.058m). These payments were made in accordance with HM Treasury guidance.

[56] This information has been audited.

[57] This information has been audited.

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament is on page 64.

A handwritten signature in black ink, reading 'Anthony Douglas'.

Signed: Anthony Douglas CBE
Cafcass Chief Executive and Accounting Officer
Date: 15th June 2017

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Children and Family Court Advisory Support Service (Cafcass) for the year ended 31 March 2017 under the Criminal Justice and Court Services Act 2000. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity, and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration and Staff Report and the Parliamentary Accountability Disclosures that is described in that report as having been audited.

Respective responsibilities of the Board, Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's responsibilities, the Board and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Criminal Justice and Court Services Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Children and Family Court Advisory Support Service's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by Children and Family Court Advisory Support Service; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on regularity

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Children and Family Court Advisory Support Service's affairs as at 31st March 2017 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Criminal Justice and Court Services Act 2000 and Secretary of State directions issued thereunder.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and the Parliamentary Accountability disclosures to be audited has been properly prepared in accordance with Secretary of State directions made under the Criminal Justice and Court Services Act 2000; and
- the information given in Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Remuneration and Staff Report and the Parliamentary Accountability disclosures to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General

13th July 2017

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Section 3

2016-17 Annual Accounts

Financial statements

Statement of Comprehensive Net Expenditure for year ended 31st March 2017

		2016-17		2015-16	
	Note	£000	£000	£000	£000
Expenditure					
Staff costs		(80,867)		(84,643)	
Past pension service cost	4	(124)		0	
Total staff costs	4	(80,991)		(84,643)	
Self-Employed Contractors and agency staff	20	(8,804)		(6,462)	
Depreciation and amortisation	7/8	(406)		(407)	
Partnerships	21	(2,105)		(2,023)	
Other expenditure	5	(22,650)		(24,009)	
			(114,956)		(117,544)
Income					
Income from activities	3/6	141		159	
			141		159
Net expenditure			(114,815)		(117,385)
Net interest cost	22		(5,432)		(5,390)
Net expenditure after interest	3		(120,247)		(122,775)
Other comprehensive expenditure					
Net gain on revaluation of property, plant and equipment	7		59		46
Net gain on revaluation of intangible assets	8		123		29
Re-measurement of pension benefits			(20,057)		15,817
Total comprehensive expenditure for year ended 31st March 2017			(140,122)		(106,883)

The Notes on pages 69 to 84 form part of these Accounts.

Statement of Financial Position as at 31st March 2017

		31st March 2017		31st March 2016	
	Note	£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	7	897		863	
Intangible assets	8	<u>1,057</u>		<u>1,315</u>	
Total non-current assets	3		1,954		2,178
Current assets					
Trade and other receivables	11	3,284		3,541	
Other current assets					
Cash and cash equivalents	12	<u>1,362</u>		<u>726</u>	
Total current assets			4,646		4,267
Total assets			6,600		6,445
Current liabilities					
Trade and other payables	13	<u>(6,085)</u>		<u>(6,465)</u>	
Total current liabilities			(6,085)		(6,465)
Non-current assets less net current liabilities			515		(20)
Non-current liabilities					
Provisions	14	(2,002)		(2,175)	
Pension liabilities	22	<u>(191,853)</u>		<u>(166,069)</u>	
Total non-current liabilities			(193,855)		(168,244)
Assets less liabilities			(193,340)		(168,264)
Taxpayers' equity					
General reserve			(194,703)		(169,484)
Revaluation reserve			1,363		1,220
			(193,340)		(168,264)

The Financial Statements on pages 66 to 84 were approved by the Board on 15th June 2017 and signed on its behalf by:



Signed: Anthony Douglas CBE
Cafcass Chief Executive and Accounting Officer
Date: 15th June 2017

Statement of Cash Flows for year ended 31st March 2017

		2016-17	2015-16
	Note	£000	£000
Cash flows from operating activities			
Net expenditure after interest	3	(120,247)	(122,775)
Depreciation and amortisation	7/8	406	407
Decrease/(increase) in trade and other receivables	11	257	(1,298)
Decrease in trade payables	13	(380)	(1,888)
In year additional pension cost		5,727	7,059
Decrease in provisions	14	(173)	(146)
Net cash outflow from operating activities		(114,410)	(118,641)
Cash flows from financing activities			
Grant-in-Aid from parent department for resource expenditure		113,500	116,300
Other grant funding received		1,546	1,369
Net cash inflow from financing activities		115,046	117,669
Net increase/(decrease) in cash and cash equivalents in the period			
Cash and cash equivalents at the beginning of the period	12	726	1,698
Cash and cash equivalents at the end of the period	12	1,362	726

Statement of Changes in Taxpayers' Equity as at 31st March 2017

		General reserve	Revaluation reserve	Total
	Note	£000	£000	£000
Balance at 1st April 2016		(169,484)	1,220	(168,264)
Changes in taxpayers' equity				
Net gain on revaluation of property, plant and equipment	7	0	59	59
Net gain on revaluation of intangible assets	8	0	123	123
Release of revaluation reserve to general reserve due to disposals		39	(39)	0
Net expenditure after interest	3	(120,247)	0	(120,247)
Pension fund actuarial losses		(20,057)	0	(20,057)
Total comprehensive expenditure		(140,265)	143	(140,122)
Grant-in-Aid from parent department for resource expenditure		113,500	0	113,500
Other grant funding received		1,546	0	1,546
Balance at 31st March 2017		(194,703)	1,363	(193,340)

Balance at 1st April 2015		(180,202)	1,152	(179,050)
Changes in taxpayers' equity				
Net gain on revaluation of property, plant and equipment	7	0	46	46
Net gain on revaluation of intangible assets	8	0	29	29
Release of revaluation reserve to general reserve due to disposals		7	(7)	0
Net expenditure after interest	3	(122,775)	0	(122,775)
Pension fund actuarial gains		15,817	0	15,817
Total comprehensive expenditure		(106,951)	68	(106,883)
Grant-in-Aid from parent department for resource expenditure		116,300	0	116,300
Other grant funding received		1,369	0	1,369
Balance at 31st March 2016		(169,484)	1,220	(168,264)

Notes to the Accounts for the year ended 31st March 2017

1A Accounting policies

These Financial Statements have been prepared in accordance with the 2016-17 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of Cafcass for the purpose of giving a true and fair view has been selected.

The particular policies adopted by Cafcass for 2016-17 are described below. They have been applied consistently in dealing with items that are considered material to the Accounts.

a) Accounting convention

The Accounts are prepared under the historical cost convention, modified to include assets at their value to the business by reference to current costs. Without limiting the information given, the Accounts meet the accounting and disclosure requirements of the Companies Act 2006 and accounting standards issued or adopted by the Accounting Standards Board insofar as those requirements are relevant. The Accounts are also fully consistent with International Financial Reporting Standards (IFRS).

b) Going concern

Parliament has voted Grant-in-Aid to Cafcass for the 12 months following the Statement of Financial Position date. Therefore, despite the Statement of Financial Position of net liabilities, Cafcass operates as a going concern.

c) Property, plant and equipment

Freehold land and buildings were revalued in 2016-17 by reference to current cost indices as specified by the Valuation Office Agency (VOA).

Freehold land and buildings were last physically revalued by the Valuation Office Agency (VOA) as at 31st March 2015 in accordance with the RICS Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors, insofar as this is consistent with current Treasury accounting guidance.

Freehold properties are subject to physical revaluation by the VOA at least every three years and by indexation using current cost indices during intervening years. Leasehold land and buildings and associated improvements are not subject to revaluation or indexation.

Other property, plant and equipment, except for leasehold property, have been stated at their value to the business using appropriate indices published by the Office for National Statistics (ONS).

Revaluations above the depreciated historic cost of these assets are credited to a revaluation reserve. Any downward revaluation of property, plant and equipment below the asset's depreciated historic cost is recognised when it occurs through the Statement of Comprehensive Net Expenditure.

Property, plant and equipment include those assets costing £2,500 or more. Individual items valued at less than the threshold are capitalised if they constitute integral parts of a composite asset that is in total valued at more than the threshold. Furniture and fittings are not capitalised but fully expensed in the year of acquisition.

d) Intangible fixed assets

Intangible assets consist of software, software licenses and website and intranet costs. These have been stated at their value to the business using appropriate indices published by the ONS.

Revaluations above the amortised historic cost of these assets are credited to a revaluation reserve. Any downward revaluation of intangible assets below the asset's amortised historic cost is recognised when it occurs through the Statement of Comprehensive Net Expenditure.

Intangible assets include those assets costing £2,500 or more. Individual items valued at less than the threshold are capitalised if they constitute integral parts of a composite asset that is in total valued at more than the threshold.

Intangible assets are periodically reviewed to ensure that they have been accurately stated at their value to the business.

e) Depreciation and amortisation

Freehold land is not depreciated.

Depreciation is provided to write-off property, plant and equipment and amortisation to write-off intangible assets by instalments, on a straight line basis, over their expected useful lives or for leased assets, over the life of the lease.

Due to the Flex contract initiating laptop replacements, additional depreciation has been applied in the Accounts consistent with the reduction in life of existing Flexed laptops from five years to the estimated replacement date. Non-Flexed laptops continue to be depreciated over five years.

Expected useful lives are as follows:

Freehold buildings	Up to 60 years
Leasehold land and buildings	Up to 50 years, or over the term of the lease
Leasehold improvements	Over the term of the lease
Office equipment	Seven years
Information technology	Five years
Laptops under Flex	Estimated replacement date
Laptops (non-Flex)	Five years

f) Pensions

Employees of Cafcass are members of the West Yorkshire Pension Fund (WYPF), which is funded on a pay-as-you-go basis. A small number of Cafcass staff retained membership of the Principal Civil Service Pension Scheme (PCSPS) by virtue of their earlier employment with one of Cafcass' predecessor organisations.

The amount charged to the staff costs for the PCSPS represents the contributions payable to the scheme in respect of current employees in the accounting period. Contributions are charged on a year-by-year basis in accordance with the requirements of the scheme administrators.

The assets of the WYPF, which is a defined benefit scheme, are held separately from those of Cafcass.

The scheme assets are measured at realisable value. Scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability. All estimates are performed by actuaries and in accordance with IAS 19.

The pension scheme surplus (to the extent that it is considered recoverable) or deficit is recognised in full on the face of the Statement of Financial Position. The movement in the scheme surplus / deficit is split between operating charges (within staff costs) and reserves in the case of actuarial gains and losses.

Net interest receivable on pension scheme assets is shown in operating cash flows.

g) Grant-in-Aid

Grant-in-Aid, used to finance activities and expenditure that supports the statutory and other objectives of Cafcass, is treated as financing and credited to the general reserve, because it is regarded as contributions from a controlling party.

Other grant funding (Contact Services funding) is used to provide grants to Child Contact Centres and is also treated as financing and credited to the general reserve.

h) Income from activities

Income from activities is generated from training, student placements and one-off receipts in the year. Income is recognised on the issuing of an invoice. All income is stated net of VAT.

i) Insurance

With the exception of comprehensive insurance on contract lease and hire vehicles, Cafcass does not insure but carries its own risks for fire, accidental damage and similar accidents and claims at common law.

j) Operating leases

Rentals under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term.

k) Accounting for Value Added Tax

Cafcass is registered for VAT. It is unable to recover most of the VAT incurred on expenditure, although a small amount of VAT can be recovered where it is related to the costs recovered in court cases. Expenditure is therefore stated inclusive of any irrecoverable VAT.

l) Financial instruments

Cafcass does not hold any complex financial instruments. The only financial instruments included in the Accounts are receivables and payables (notes 11 and 13).

Financial assets comprise trade receivable and other receivables. Receivables are recognised at carrying value, reduced by appropriate allowances for estimated irrecoverable amounts.

Trade creditors are short term and are stated at carrying value in recognition that these liabilities fall due within one year.

m) Provisions

A provision is recognised in the Statement of Financial Position when Cafcass has a present legal or constructive obligation arising from past events, and it is probable that an outflow of economic benefits will be required to settle the obligation.

2 Change of accounting policy

There have been no significant changes to the accounting policies, as described in Cafcass' 2015-16 Annual Report and Accounts.

3 Analysis of net expenditure by segment

	Operational service areas	Other	Total
	£000	£000	£000
2016-17			
Gross expenditure	77,494	42,894	120,388
Income	(2)	(139)	(141)
Net expenditure	77,492	42,755	120,247
Non-current assets	887	1,067	1,954
2015-16			
Gross expenditure	79,960	42,974	122,934
Income	(158)	(1)	(159)
Net expenditure	79,802	42,973	122,775
Non-current assets	845	1,333	2,178

'Operational service areas' and 'Other' reflect the structure of the standard monthly management information provided to Cafcass' chief operating decision makers.

There was no capital expenditure in 2016-17 (2015-16: £nil).

4 Staff costs

		Cafcass Board members	Corporate National Office staff	Regional staff	Total
	Note	£000	£000	£000	£000
2016-17					
Salaries and wages		128	5,113	55,224	60,465
Social security costs		7	550	5,929	6,486
Current service cost	22	0	4,399	8,462	12,861
Other pension costs		0	(68)	0	(68)
Past pension service cost	22	0	12	112	124
Total payroll costs		135	10,006	69,727	79,868
Temporary staff costs		0	51	1,072	1,123
Inward secondees costs		0	0	0	0
Total staff costs		135	10,057	70,799	80,991
2015-16					
Salaries and wages		138	5,707	57,780	63,625
Social security costs		7	461	4,793	5,261
Current service cost	22	0	4,424	10,118	14,542
Other pension costs		0	41	0	41
Past pension service cost	22	0	0	0	0
Total payroll costs		145	10,633	72,691	83,469
Temporary staff costs		0	26	1,144	1,170
Inward secondees costs		0	4	0	4
Total staff costs		145	10,663	73,835	84,643

5 Other expenditure

		2016-17	2015-16
	Note	£000	£000
Outsourced finance and ITC services		9,115	9,272
Accommodation costs		6,126	6,571
Travel and subsistence		2,744	2,983
Telecommunications and postage		1,135	1,444
Office supplies, printing and stationary		729	890
Legal costs		577	457
Staff related costs		373	389
Interpreters and translators		371	402
Training costs		248	341
Fuel and utilities		204	265
Vehicle costs		164	162
Internal audit costs		151	144
Recruitment costs		94	103
External audit costs		53	55
Other provisions no longer required	14	(246)	(341)
Other		812	872
		22,650	24,009

6 Income

	2016-17	2015-16
	£000	£000
Training	133	158
Award of court costs	(1)	0
Other income	9	1
	141	159

7 Property, plant and equipment

	Land and buildings excluding dwellings	Leasehold land, buildings and improvements	Information technology and telecoms	Office equipment	Total
	£000	£000	£000	£000	£000
2016-17					
Cost or valuation					
As at 01/04/16	970	521	3,007	22	4,520
Disposals	0	0	0	0	0
Revaluations	55	0	4	0	59
As at 31/03/17	1,025	521	3,011	22	4,579
Depreciation					
As at 01/04/16	126	520	2,989	22	3,657
Charged in year	12	0	13	0	25
Disposals	0	0	0	0	0
As at 31/03/17	138	520	3,002	22	3,682
NBV as at 31/03/17	887	1	9	0	897
NBV as at 31/03/16	844	1	18	0	863
Asset financing					
Owned	887	1	9	0	897
NBV as at 31/03/17	887	1	9	0	897
2015-16					
Cost or valuation					
As at 01/04/15	925	521	3,030	22	4,498
Disposals	0	0	(24)	0	(24)
Revaluations	45	0	1	0	46
As at 31/03/16	970	521	3,007	22	4,520
Depreciation					
As at 01/04/15	115	520	2,998	22	3,655
Charged in year	11	0	15	0	26
Disposals	0	0	(24)	0	(24)
As at 31/03/16	126	520	2,989	22	3,657
NBV as at 31/03/16	844	1	18	0	863
NBV as at 31/03/15	810	1	32	0	843
Asset financing					
Owned	844	1	18	0	863
NBV as at 31/03/16	844	1	18	0	863

Freehold land as at 31st March 2017 was valued at £0.330m (2015-16: £0.315m).

The property values have been provided on the basis of Existing Use Value (EUV), apportioned between the land and the buildings with an assessment of the remaining life of the latter (Practice Statement 4.3).

Property valuations do not include any notional directly attributable acquisition costs and have not been reduced for any expected selling costs, as they are not considered material to the valuations.

8 Intangible assets

	Information technology	Software licences	Websites that deliver services	Total
	£000	£000	£000	£000
2016-17				
Cost or valuation				
As at 01/04/16	2,360	205	89	2,654
Disposals	(147)	(26)	0	(173)
Revaluations	120	3	0	123
As at 31/03/17	2,333	182	89	2,604
Amortisation				
As at 01/04/16	1,071	179	89	1,339
Charged in year	371	10	0	381
Disposals	(147)	(26)	0	(173)
As at 31/03/17	1,295	163	89	1,547
NBV as at 31/03/17	1,038	19	0	1,057
NBV as at 31/03/16	1,289	26	0	1,315
2015-16				
Cost or valuation				
As at 01/04/15	2,331	205	89	2,625
Disposals	0	0	0	0
Revaluations	29	0	0	29
As at 31/03/16	2,360	205	89	2,654
Amortisation				
As at 01/04/15	700	169	89	958
Charged in year	371	10	0	381
Disposals	0	0	0	0
As at 31/03/16	1,071	179	89	1,339
NBV as at 31/03/16	1,289	26	0	1,315
NBV as at 31/03/15	1,631	36	0	1,667

9 Financial instruments

As the cash requirements of Cafcass are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with the non-departmental public bodies' (NDPBs) expected purchase and usage requirements and the NDPB is therefore exposed to minimal credit, liquidity or market risk.

10 Impairments

There were no impairments in 2016-17 (2015-16: £nil).

11 Trade receivables and other current assets

	2016-17	2015-16
	£000	£000
Amounts falling due within one year		
Other receivables	1,569	1,907
Provision for bad debts	(2)	(2)
Prepayments	1,715	1,634
Travel advances	2	2
	3,284	3,541

12 Cash and cash equivalents

	Cash	Bank	Total
	£000	£000	£000
2016-17			
Balance at 1st April 2016	6	720	726
Net change in cash and cash equivalent balance	(1)	637	636
Balance at 31st March 2017	5	1,357	1,362
The following balances at 31st March 2017 were held at:			
Government Banking Service and cash in hand	5	1,357	1,362
Balance at 31st March 2017	5	1,357	1,362
2015-16			
Balance at 1st April 2015	7	1,691	1,698
Net change in cash and cash equivalent balance	(1)	(971)	(972)
Balance at 31st March 2016	6	720	726
The following balances at 31st March 2016 were held at:			
Government Banking Service and cash in hand	6	720	726
Balance at 31st March 2016	6	720	726

13 Trade payables and other current liabilities

	2016-17	2015-16
	£000	£000
Amounts falling due within one year		
Taxation and social security	0	5
Trade payables	1,794	1,056
Other payables	92	138
Accruals and deferred income	3,906	4,897
Annual leave accrual	293	369
	6,085	6,465

14 Provisions for liabilities and charges

	Employment claims	Dilapidations	Total
	£000	£000	£000
2016-17			
Balance at 1st April 2016	26	2,149	2,175
Provided in the year	146	77	223
Provisions not required written back	(26)	(220)	(246)
Provision utilised in the year	0	(150)	(150)
Balance at 31st March 2017	146	1,856	2,002
Analysis of expected timing of discounted flows			
Not later than one year	146	1,548	1,694
Later than one year and not later than five years	0	264	264
Later than five years	0	44	44
	146	1,856	2,002
2015-16			
Balance at 1st April 2015	181	2,140	2,321
Provided in the year	0	292	292
Provisions not required written back	(109)	(232)	(341)
Provision utilised in the year	(46)	(51)	(97)
Balance at 31st March 2016	26	2,149	2,175
Analysis of expected timing of discounted flows			
Not later than one year	26	1,750	1,776
Later than one year and not later than five years	0	365	365
Later than five years	0	34	34
	26	2,149	2,175

IAS 37 requires the recognition of a provision (a liability that is of uncertain timing or amount) when it exists at the Statement of Financial Position date. It must therefore fulfil the criteria of being a present obligation arising from a previous event, where it is probable there will be a transfer of economic benefits to settle the obligation and where a reliable estimate can be made of the amount of the obligation. Cafcass makes provisions for legal or constructive obligations (liabilities), which are of uncertain timing or amount at the Statement of Financial Position date, on the basis of the best estimate of the expenditure required to settle the obligation.

Employment claims

Employment claims relate to employment tribunal cases that are likely to be brought against Cafcass, which may or may not result in court attendance.

Dilapidations

Cafcass operates from a number of leasehold properties which include provision for the payment of dilapidations on exit from the premises.

Cafcass considers it appropriate to recognise these liabilities through the creation of a provision whilst premises are in active use, and to accrue for these liabilities once settlement has been agreed.

Provisions have been maintained for these using actual information and industry information on the most likely costs for dilapidations per square metre.

15 Capital commitments

There were no material contracted capital commitments as at 31st March 2017 (2015-16: £nil).

16 Commitments under leases

Operating leases commitments

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2016-17	2015-16
	£000	£000
Obligations under operating leases comprise:		
Buildings		
Not later than one year	3,185	3,365
Later than one year and not later than five years	2,912	3,846
Later than five years	383	949
	6,480	8,160
Other		
Not later than one year	111	152
Later than one year and not later than five years	47	104
Later than five years	0	0
	158	256
Finance leases		
There were no finance leases as at 31st March 2017 (2015-16:£nil).		

17 Other financial commitments

	2016-17	2015-16
	£000	£000
Not later than one year	5,826	7,520
Later than one year and not later than five years	1,456	9,400
Later than five years	0	0
	7,282	16,920

Cafcass signed a seven-year contract with Fujitsu ending December 2016 to provide an integrated information and communication technology service across the organisation. This contract has now been extended for a further 18 months until June 2018.

18 Related party transactions

Cafcass is an executive non-departmental public body that is sponsored by the Department. The Department as such is regarded as a related party. During 2016-17, Cafcass had various material transactions with the Department, including the receipt of £115.046m grant funding from the Department (2015-16: £117.669m). Transactions with the Department not related to Grant-in-Aid or other funding totalled £0.106m (2015-16: £0.087m), which relates to internal audit service charges as at 31st March 2017.

Cafcass does have occasional small transactions with other Central Government bodies and Local Authorities that are considered not to be material.

All payments made to senior managerial staff are disclosed in the Remuneration Report.

A register of interest is held for all Board Members and there were no material related party transactions with Board Members or the Corporate Management Team during the year other than those associated with remuneration for normal duties.

19 Events after Statement of Financial Position date

The Financial Statements were authorised for issue on the 14th July 2017 by Anthony Douglas CBE (Chief Executive and Accounting Officer).

20 Self-Employed Contractors

In 2016-17 we contracted the services of 103 Self-Employed Contractors (2015-16: 85), of which amounts paid amounted to £2.507m in the year (2015-16: £2.096m).

As Self-Employed Contractors, they are ordinarily responsible for meeting travel, office and all other expenses related to their work, as well as related tax and national insurance liabilities.

In addition to this, agency staff costs amounted to £6.297m in the year (2015-16: £4.366m).

21 Partnership costs

Partnership costs of £2.105m (2015-16: £2.023m) represent the cost of services provided by Cafcass through third party organisations such as contact centres and mediation centres.

Expenditure on partnerships' Court ordered contact activities are shown net of expenditure claimed back and received from the Department.

In addition to Cafcass' baseline partnership budget, in 2016-17 Cafcass received additional funding of £1.546m from the Department (2015-16: £1.369m).

22 Pension liabilities

WYPF's actuary, Aon Hewitt Limited, carried out an IAS 19 valuation for Cafcass as at 31st March 2017.

The assets of the scheme are held separately from those of Cafcass and are invested in managed funds.

Cafcass accounts for scheme liabilities in accordance with IAS 19 – Employee benefits. The in-year current service cost has been reflected in the Statement of Comprehensive Net Expenditure.

In addition to the disclosure contained in the Financial Statements, the following disclosures are in accordance with that standard.

Introduction

The disclosures below relate to the funded liabilities within the West Yorkshire Pension Fund (the Fund) which is part of the Local Government Pension Scheme (the LGPS).

The LGPS is a funded defined benefit plan with benefits earned up to 31st March 2014 being linked to final salary. Benefits after 31st March 2014 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The Local Government Pension Scheme Regulations 2013' and 'The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014'.

Funding/governance arrangements of the LGPS

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31st March 2016 and the contributions to be paid until 31st March 2020 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate. An actuarial valuation of the Fund was carried out at 31st March 2016 and as part of that valuation a new Rates and Adjustment Certificate was produced for the three year period from 1st April 2017.

The Fund Administering Authority, City of Bradford Metropolitan District Council is responsible for the governance of the Fund.

Assets

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Administering Authority) is shown in the disclosures split by quoted and unquoted investments.

The Administering Authority may invest a small proportion of the Fund's investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

Risks associated with the Fund in relation to accounting

Asset volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields. If assets underperform a deficit will be created from this yield in the Accounts. The Fund holds a significant proportion of growth assets which while expected to outperform corporate bonds in the long term creates volatility and risk in the short term in relation to the accounting figures.

Changes in bond yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result.

Inflation risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are either unaffected or loosely correlated with inflation meaning that an increase in inflation will increase the deficit.

Life expectancy

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Exiting employers

Employers who leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

The amounts recognised in the Statement of Financial Position are as follows:		
	2017	2016
	£000	£000
Present value of funded obligations	(680,690)	(570,663)
Fair value of plan assets	488,837	404,594
Net liability	(191,853)	(166,069)

The amounts recognised in the Statement of Comprehensive Net Expenditure are as follows:		
	2017	2016
	£000	£000
Current service cost	12,861	14,542
Past service cost	124	0
Service cost	12,985	14,542
Interest on obligation	19,199	18,222
Interest income on plan assets	(13,767)	(12,832)
Net interest cost	5,432	5,390
Expense recognised in the Statement of Comprehensive Net Expenditure	18,417	19,932

Changes in the present value of the defined benefit obligation are as follows:		
	2017	2016
	£000	£000
Opening defined benefit obligation	570,663	575,382
Current service cost	12,861	14,542
Interest on obligation	19,199	18,222
Member contributions	4,346	4,154
Past service cost	124	0
Actuarial loss/(gain) due to changes in financial assumptions	126,512	(20,448)
Actuarial gain due to changes in demographic assumptions	(10,937)	0
Actuarial gain due to liability experience	(25,482)	(4,886)
Benefits/transfers paid	(16,596)	(16,303)
Closing defined benefit obligation	680,690	570,663

Changes in the fair value of plan assets are as follows:		
	2017	2016
	£000	£000
Opening fair value of plan assets	404,594	400,555
Interest income on plan assets	13,767	12,832
Re-measurement gain/(loss) on assets	70,036	(9,517)
Contributions by employer	12,690	12,873
Member contributions	4,346	4,154
Benefits/transfers paid	(16,596)	(16,303)
	488,837	404,594

Asset allocation:				
	Quoted value at 31 March 2017	Unquoted value at 31 March 2017	Total at 31 March 2017	Total at 31 March 2016
Equities	70.3%	6.9%	77.2%	75.6%
Property	4.3%	0.0%	4.3%	4.9%
Government bonds	10.1%	0.0%	10.1%	10.3%
Corporate bonds	3.9%	0.0%	3.9%	4.6%
Cash	1.2%	0.0%	1.2%	1.3%
Other	1.4%	1.9%	3.3%	3.3%
	91.2%	8.8%	100.0%	100.0%

Actual return on assets:		
	2016-17	2015-16
	£000	£000
Interest income on plan assets	13,767	12,832
Re-measurement gain/(loss) on assets	70,036	(9,517)
	83,803	3,315

The major financial assumptions used in the valuation were:		
	2016-17	2015-16
Pension accounts revaluation rate	2.00%	1.80%
Rate of increase in salaries	3.10%	2.90%
Rate of increase in pensions	2.00%	1.80%
Nominal discount rate	2.50%	3.40%

Estimated pension expense in future periods

Analysis of amount charged to the Statement of Comprehensive Net Expenditure on the provision of services next year:		
	Year ending 31 March 2018	Year ending 31 March 2017
	£000	£000
Current service cost	16,926	14,210
Interest on net defined benefit liability	4,639	5,424
Total estimated pension expense	21,565	19,634
Allowance for administration expense included in current service cost	176	182
Estimated pensionable payroll over the period ending 31 March 2018	58,626	60,628

Sensitivity analysis

The approximate impact of changing the key assumptions on the present value of the funded defined benefit obligation as at 31st March 2017 and the projected service cost for the year ending 31st March 2018 is set out below.

Discount rate assumption:			
Adjustment to discount rate	+0.1% p.a.	Base figure	-0.1% p.a.
	£000	£000	£000
Present value of total obligation	669,289	680,690	692,286
% change in present value of total obligation	(1.7%)		1.7%
Projected service cost	16,458	16,926	17,404
Approximate % change in projected service cost	(2.8%)		2.8%

Rate of general increase in salaries:			
Adjustment to salary increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
	£000	£000	£000
Present value of total obligation	682,912	680,690	678,486
% change in present value of total obligation	0.3%		(0.3%)
Projected service cost	16,926	16,926	16,926
Approximate % change in projected service cost	0.0%		0.0%

Rate of increase to pensions in payment and deferred pensions assumption, and rate of revaluation of pension accounts assumption:			
Adjustment to pension increase rate	+0.1% p.a.	Base figure	-0.1% p.a.
	£000	£000	£000
Present value of total obligation	690,043	680,690	671,473
% change in present value of total obligation	1.4%		(1.4%)
Projected service cost	17,404	16,926	16,458
Approximate % change in projected service cost	2.8%		(2.8%)

Post retirement mortality assumption:

*Adjustment to mortality age rating assumption

	-1 year	Base figure	+1 year
	£000	£000	£000
Adjustment to pension increase rate	701,352	680,690	660,169
% change in present value of total obligation	3.0%		(3.0%)
Projected service cost	17,579	16,926	16,278
Approximate % change in projected service cost	3.9%		(3.9%)

*A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is 1 year older than them.

23 Contingent liabilities

Guaranteed Minimum Pension (GMP) Equalisation

As at 31st March 2017 no allowance has been made in the Accounts for the potential increase in the Guaranteed Minimum Pension (GMP) benefits following the equalisation of the pension benefits between male and female scheme members. A consultation paper was issued on 28th November 2016 entitled "consultation on indexation and equalisation of GMP in public service pension schemes" proposing three methods to address the equalisation and as such until it is known how the GMP equalisation will be carried out an allowance cannot be made (2015-16: £nil).

24 Contingent assets

There were no qualifying contingent assets as at 31st March 2017 (2015-16: £nil).

Appendix

How our Key Performance Indicators (KPIs) are calculated

Source: All data is taken from the Electronic Case Management System (ECMS) which is a live national database.

KPI 1. Calculation method: Snapshot of total allocated public law care cases divided by snapshot of total open public law care workload (open and ongoing cases not concluded). For monthly reporting the snapshot is taken once a month at month end. Annual figures are an average of the 12 months. Assumptions: Allocated includes cases allocated on substantive basis to a named practitioner.

KPI 2. Calculation method: Counts all care cases allocated in the year and the total working days taken from date the case was received to the date of the first substantive allocation is recorded (date case received counted as day 0). The total working days taken is then divided by the total number of cases to give an average working days figure. Assumptions: Allocated only includes cases allocated on substantive basis to a named practitioner.

KPI 3. Calculation method: Snapshot of total allocated private law cases divided by snapshot of total open private law workload (open and ongoing cases not concluded). For monthly reporting the snapshot is taken once a month at month end. Annual figures are an average of the 12 months. Assumptions: Allocated includes cases allocated on a duty or substantive basis to a named practitioner.

KPI 4. Calculation method: The number of section 7 reports filed by the agreed date, divided by the total number of section 7 reports filed.

Glossary

The Family Justice Young People's Board (FJYPB) has created a glossary of the more commonly used terms and words in family proceedings. We thank the FJYPB for allowing us to use this glossary to help readers understand some of the terminology used in our Annual Report.

Adjournment – A decision made by the family court to hold the court hearing at another time because things are not ready or people need more time to do something.

Adoption order – A type of order made by the family court which transfers parental responsibility to new, adoptive parents and means that a child or young person is no longer legally the child of their birth parents. It allows them to start a new family.

Agency staff/workers – Social workers who do not normally work for Cafcass but will sometimes do work for Cafcass during busy periods.

Area Quality Review (AQR) – A way of measuring how well an area is working. People involved include the Assistant Director/Heads of Service in that area. We hope that in the next three years there will be a AQR in each Cafcass service area. The AQR findings help form the action and development plans for that area.

Application – This is how a person asks the family court to help them.

Barrister – A legally trained person who advises people going through the family court and speaks for them in court hearings.

Bank workers – Social workers who do not normally work for Cafcass but will sometimes do work for Cafcass during busy periods. These workers do not come through an agency.

Children and Family Court Advisory and Support Service (Cafcass) – This is an organisation which works with children and young people and their families and then advises the family court on what it considers to be in the best interests of each and every child.

Cafcass worker – Depending on what the family court have ordered Cafcass to do, the Cafcass worker (sometimes known as a practitioner or officer) can be named one of two things: a Family Court Adviser or a Children's Guardian (for more detail look for their descriptions).

Care order – An order made by the family court when the local authority can prove that a child or young person living in their area is not being looked after properly.

Case Management Conference – This is a hearing where the major issues for a child or young person are talked about and the judge sets out how the family court case is going to proceed.

Child arrangements order – When people can't agree on where a child might live or who they should see, the family court might be asked to decide. The judge will look at what is best for the child or young person and make a decision setting out what people must do. This replaces what used to be called contact and residence or custody which you may have heard about.

Children's Guardian – Sometimes when the problems within a family are really difficult then the family court will ask for a Children's Guardian to help them. The Children's Guardian is an independent person who is there to keep the court focused on what is best for the child or young person. They will also appoint a solicitor to act for the young person in court.

Child contact centre – This is a safe place where children and young people can see a parent who they do not live with. Usually, this allows for direct contact, supervised contact or supported contact.

Consent order – an order made by the court where all parties in the case have agreed to what it says.

Contact order – These orders allow a child or young person to visit, stay or have contact with the person who has applied to court. (Instead of making this order, the family court will now make a child arrangements order).

Direct contact – When a child or young person can spend time with someone that they do not live with.

Domestic Violence Perpetrators Programme (DVPP) – A course that helps adults who have been violent towards another person learn how to control their anger.

Early Intervention Teams (EIT) – Early Intervention Teams operate in service areas, with Cafcass workers carrying out safeguarding checks to inform the safeguarding letter we provide at the First Hearing.

ECMS – Electronic Case Management System, which stores Cafcass' case-related information including feedback and complaints.

Family assistance order – An order which the family court can make to provide short term (usually six months) support to a family who agree to it. This can be from a Cafcass worker or a social worker from the local authority.

Family court – This is where important decisions are made about children, young people and their families. It is different to criminal courts where people go when they might have done something wrong. Decisions in the Family Court are made by judges or magistrates when people can't agree about what is best for a child or young person.

Family Court Adviser (FCA) – Sometimes the family court may ask a family court adviser to meet with a child or young people to talk about their wishes and feelings and to make sure the family court hears what they have to say. The FCA also gives their view to the court about what is best for the child. FCAs do not need to meet all children and young people because sometimes families can agree themselves on what is best.

Family Group Conference – All of the important people in a child's life get together to check that they are safe. It means that everyone knows what is happening and keeps them safe.

Final order – This is the last order made by the family court. The court expects all the people named in the order to keep to it and do as it says and can punish adults if they don't.

Foster carer – People who give a home to children and young people who need a safe place to live. They may have children of their own, or other foster children living with them, in which case you would all live in the same house together.

Guardian's report – The family court will ask the Children's Guardian to write a report to help it make decisions about a child or young person. The report will include information on their wishes and feelings and a recommendation from the Children's Guardian on what they think is best for the child. The report will also include information from the other people involved such as the parents and any other individuals such as experts.

Independent Reviewing Officer (IRO) – IROs help to make sure the best decisions are made for children looked after by the local authority. Their main focus is to make sure that the care planning process for each child or young person is meeting their needs and to ensure that his/her current wishes and feelings are given full consideration.

Indirect contact – A child or young person can use forms of contact such as letters, cards or gifts and is often used to re-introduce a child to someone that they have not seen for some time.

Interim care order – This means that the local authority make decisions about a child rather than their own parents for the short term, before the family court makes a final order. The child will get a social worker to make the decisions day to day.

Issues Resolution Hearing (IRH) – This is a special hearing where the family court decides which issues need to be sorted out and hears arguments about which is a true version of events.

Judge – Sometimes families have problems which they might find too hard to sort out by themselves. A judge works in a family court, listens to everybody and then decides what is best for the child or young person involved in the case. They have the final say and will make the decision about that child or young person's life.

Legal Adviser – A legally qualified person who helps magistrates in the family court apply the law. They do not play any part in the decision making process but are there to advise.

Litigants-in-person – a party in a case who is self-representing i.e. they don't have a solicitor.

Local authority (also known as children's social care or social services) – This organisation is responsible for making sure all children and young people in their local area are kept safe by the people who care for them.

Magistrate – This person is a member of the community who volunteers to make decisions that affect families, children and young people. They are similar to a judge but are not legally qualified. They are advised on the law by their legal adviser.

Mediation – When people can't agree, they go to another person to help them sort it out (a mediator). The mediator talks to all and tries to help them find an outcome that they are all happy with. This means that they don't have to go to the family court.

Non-molestation order – This is a type of order the family court uses to keep adults, children and young people safe from someone who has been violent toward them.

Parental order – an order which transfers legal parenthood from a surrogate to the intended parents.

Parental responsibility – Parental responsibility means all the rights, duties, and responsibilities that a parent has to a child or young person. A person or the people with parental responsibility can make decisions about a child such as who they will live with and what school they will attend.

Placement order – An order which allows the local authority to place a child with suitable adopters following care proceedings (even if the parents do not agree).

Pre-proceedings – work that is carried out by the local authority (sometimes involving Cafcass) before a decision on making a care application is made.

Private law – These cases are brought to the family court by private individuals, generally in connection with divorce or parents' separation. The family court may make a child arrangements order, prohibited steps order or a specific issues order or no order at all.

Prohibited steps order – A parent can be prevented by the family court from doing something the other parent does not want them to do. The most common type is where one parent is stopped from moving abroad with the child or young person.

Public law – Public law cases are brought to the family court by local authorities where they are worried that a child or young person is not being looked after safely. The family court may make a care order, a supervision order, or no order at all.

Relinquished babies and children – term used to describe where parents feel that adoption may be the best option for providing a permanent, safe future for their child (the child is 'relinquished').

Residence order – This order decides who the child is to live with, can give parental responsibility to any adult who does not have it and will last until the young person is 16. (Instead of making this order, the family court will now make a child arrangements order).

Rule 16.4 cases – These are particularly difficult or complicated family court cases where the Judge decides to make the child a party to the case under rule 16.4 of the Family Procedure Rules 2010. A Cafcass Guardian will be appointed to represent the child in the case.

Safeguarding letter – This is a letter that a Cafcass worker will write and send to the family court. They will speak to the parties (usually the parents) and ask about the child or young person's safety and any worries that they might have.

Section 37 report – The family court orders Cafcass to produce this report because they are worried about a child or young person and want to make sure that they are safe. It will involve a Cafcass worker usually visiting the child and ensuring everything is okay at home.

Section 7 report – This report is ordered by the family court and makes either Cafcass or the local authority investigate all the circumstances of the family, often including the wishes and feelings of a child or young person, and send a report to the court.

Section 16A Risk Assessment – a duty held by Cafcass officers to undertake a risk assessment whenever they have cause to suspect that the child concerned is at risk of harm.

Self-Employed Contractor – social work staff who are offered work on a case by case basis to assist in providing additional capacity and have a contract for services for each individual case.

Sessional workers – former Cafcass staff who stay to complete case work which occurs after their departure from the organisation, for example by attending a final hearing and or closing an existing case rather than having to reallocate that case to a new worker.

Social worker – These specially trained people help to make sure children and young people are safe and properly looked after. They will work with families to help make it possible for children to stay safely with them. If the family court decides that it is not possible, they will help to make sure there is somewhere else that is safe where a child can live.

Solicitor – A legally trained person who provides advice to people going through the family courts and can speak for them in court.

Special guardianship order – This family court order allows another person to become a child's 'special guardian'. It is for children who cannot live with their birth parents and gives parental responsibility to the special guardian so that they can make decisions alone about the child's life.

Specific issue order – This order is made by the family court, when there is an important issue to be resolved but parents can't agree on it. For example, which school a child should go to.

Supervised contact – This is a type of direct contact which requires a supervisor to make sure that the child is safe with the other person. This may be done in a contact centre.

Supervision order – A supervision order makes the local authority take responsibility for advising, assisting and befriending a young person, and ensuring that the child or young person is kept safe in the care of their parents.

Supported contact – This is direct contact which gives some support from a child contact centre worker to the adults so that they can meet the needs of their child(ren).

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